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NATO Plan Vote May Spur Cabinet Crisis in Belgium

By Joseph Fitchett

RIS, Dec. 9 (IHT) — Belgium's probable Cabinet crisis if it votes a NATO plan to install nuclear missiles in Western Europe, Belgian diplomats said here after the French-speaking Socialist party voted yesterday in favor of the plan.

The Belgian crisis is the latest blow to hopes of most NATO governments, led by the Carter administration, of achieving a wide Western consensus on the modernization plan. It involves a decision on producing and deploying the new intermediate-range Pershing, ballistic and ground-launched Cruise nuclear missiles and making a simultaneous European theater arms-control offer to the Soviet Union.

NATO officials in Brussels remained confident today that the ministerial meeting Wednesday will reach agreement with or without Belgium and Holland. The arms package initially called for installing 108 Pershing-2 ballistic missiles and 464 ground-launched Cruise missiles in five West European countries.

Dutch Vote

West Germany, Britain and Italy have announced that they will vote the new missiles, but the Netherlands parliament has voted against accepting the missiles. The NATO plan assigns 48 Cruise missiles to Belgium.

The French-speaking Socialists' position calls instead for a six-month moratorium on the missile decision to give the chances of convincing the Soviet Union to remove its new SS-20 nuclear missiles targeted on Western Europe. A similar plea to try disarmament talks.

Political Tension

Latest opposition to the arms occurs when political tension over the government's cohesiveness plan and reforms to sectarian tensions between its rival linguistic groups, French-speaking Walloons and Flemish-speaking Flemings.

Flemish Socialist Party ready come out against the



Demonstrators march through Brussels on Sunday to protest the NATO plan to install new U.S. nuclear missiles in Europe.

As Paris Meeting Opens U.S. Seeks Backup Plan For Deeper IEA Oil Cuts

PARIS, Dec. 9 (IHT) — As Western industrial nations prepare to adopt ceilings for 1980 oil imports, the United States wants its allies to agree on a quick-response mechanism to produce deeper cuts if supplies drop next year, according to U.S. diplomats here for tomorrow's ministerial meeting of the International Energy Agency (IEA).

The IEA, in a bid to show Western determination on conservation before the OPEC meeting in Caracas next week, also is expected to announce its intention to try to pare an extra million barrels a day off its combined imports. But European governments are resisting country-by-country allocations of such deeper cuts, diplomats said.

The primary problem will be to agree on efficient monitoring to detect countries' overshooting their import ceilings. The United States is proposing an IEA review every 60 or 90 days to reduce quotas if consumption exceeds supplies. The United States would also like to have an IEA ministerial meeting early next year in hopes that other governments will be ready then to adopt more drastic measures.

The participants will also discuss the possibility of imposing sanctions on IEA members who exceed their quotas, but U.S. diplomats appeared pessimistic about the chances of setting a system of penalties tomorrow. Earlier, the United States suggested barring any offending nation from the IEA's system of emergency oil-sharing in the event of a 7-percent shortfall in oil supplies, diplomats here said.

Some IEA nations, notably West Germany, had resisted the U.S. plan, they said. West German Finance Minister Otto Lambsdorff, chairman of tomorrow's meeting, opposed government intervention and is reluctant to commit Bonn to deeper oil cuts that might jeopardize the West German economy.

While the Carter administration is now taking the lead in urging effective collective Western action to reduce world oil demand and to rebalance the market, many European analysts believe that the current improvements in U.S. performance reflect the impact of recession as much as restraint in demand.

Dispute Key Areas of Tabriz Rebels, Khomeini Forces Clash in Heavy Fighting

From Agency Dispatches

TABRIZ, Iran, Dec. 9 — Pro- and anti-Khomeini forces battled in the streets of Tabriz today, capturing and recapturing government buildings in the worst violence of the 4-day-old rebellion in this northwestern provincial capital.

Heavy fighting broke out at the government radio-television station as tens of thousands of Iranian Turks stormed the building and seized it from Ayatollah Ruhollah Khomeini's partisans, who had captured it earlier in the day from the rebels.

The two sides exchanged fire with machine guns and other weapons. Fighting was also reported at a university nearby.

Earlier, dissidents rushed down the streets of central Tabriz chanting "Death to Khomeini" and recaptured the governor-general's office here after losing control of it to supporters of Ayatollah Khomeini.

The dissidents, members of the Turkish majority in the province of Azerbaijan, had been in control of the city of 2 million since Thursday. They have demanded changes in provisions of Iran's new Islamic constitution that grant Ayatollah Khomeini absolute power for life, and some want autonomy for the region.

Airport Held

At least 12 persons were wounded in today's clashes, according to a spokesman for the Moslem People's Republican Party (MPRP), the leaders of the Tabriz insurrection. The rebels regard Ayatollah Khomeini as a spiritual leader, as do most of the 8 million Turkish-speaking Azerbaijanis.

It was not known if the demonstrators had managed to recapture any of the branch offices of the MPRP, which had been taken today by pro-Khomeini forces. The Shariatmadari forces continued to hold other buildings in the city, as well as its airport.

The dissidents, who held the radio and television unit for three days and broadcast pro-Shariatmadari messages, had surrendered it earlier in the day to the Khomeini forces as about 10,000 government support-

Dissidents in the provincial capital of Tabriz march in opposition to the new Iranian constitution.

30,000 Flee to Thailand Laos Say Vietnam Attacks Khmer Seri Border Camp

By John Burgess

NYAPRATHET, Thailand — About 1,000 Vietnamese, backed by 105mm guns, have penetrated a major Khmer Seri (free Khmer) strongpoint inside Cambodia, Thai sources said.

The attack is the first concerted assault by the Khmer Rouge against the border and has driven 30,000 civilians into Thailand.

Analysts said that the Vietnamese action might be the beginning of a campaign to clear a 40-kilometer stretch of the border where 500,000 refugees are crowded in refugee camps run by the Khmer Rouge.

Khmer Rouge soldiers moved 100 yards into Thai territory to open fire, which began today, the Thai sources said. Apparently fired by Vietnamese gunners on Thai positions near the village of Samro in but caused no casualties. The Vietnamese withdrew, was no information on any new casualties.

Analysts believed that the move was part of an attempt to about 300 soldiers of the People's National Liberation Movement, the Khmer Rouge, that operates in the area. They said that the troops broke the ring but that six were killed and small arms fire was

Japan Buys Extra Iranian Oil

TOKYO, Dec. 9 (UPI) — Oil companies here have bought large quantities of Iranian oil at spot-market prices after Iran offered to extend a long-term direct deal contract next year, the newspaper Mainichi said today.

Iran Plans International 'Grand Jury' Hostages to Be Taken Before Tribunal

From Agency Dispatches

TEHRAN, Dec. 9 — Iran's foreign minister, Sadegh Ghotbzadeh, said tonight that all 50 U.S. hostages in Tehran will appear before an international grand jury, possibly within 10 days, to investigate whether they have been guilty of espionage.

"Unless they appear before the grand jury, no one knows if they are guilty or not guilty," he said.

Earlier today, in an interview with a U.S. television news program, he said that Iran would convene an international grand jury, possibly within 10 days, to investigate and "judge before the world" the wrongdoing of the United States in Iran during the last 25 years.

He said that he hoped that the grand jury could be empaneled within the next 10 days but he set no date for the beginning of the hearings. He did not mention any appearance by the hostages in the earlier interview.

Iranian authorities repeatedly have said that they would try the hostages on espionage charges unless the United States Mohammed Reza Pahlavi, the deposed shah. On Friday, Mr. Ghotbzadeh said that a date for the espionage trials would be set within 48 hours, but he did not mention it today.

He insisted that the hostages were "all fine and in good health" and promised that international observers would be allowed to see them and report on their condition.

U.S. 'Crimes'

On the grand jury, he said: "We intend to create an international grand jury not for trial but to investigate American wrongdoing and crimes in Iran since the American intervention in the coup d'etat of 1953. . . American foreign policy is going to be on trial."

He added, "It is important that international criminals and dictators learn they cannot murder and steel billions and then spend the rest of their lives living safely and comfortably and protected by the United States."

He also asserted that any trade embargo against Iran would not work. "We do not worry about that. Countries will not take part in any U.S. trade embargo. Hard-line stands like that will only mean we will remain frozen."

In an earlier announcement by the Iranian Foreign Ministry, there were no details about who would be on the grand jury or how it would operate. The ministry said that the members would be "independent and free personalities of the world" (Continued on Page 2, Col. 5)

Quiet Flights Led to Signalanoi Offensive

GHOK, Dec. 9 (AP) — Soviet planes have made at least 10 unauthorized flights over the last two months, officials said that they believed the flights were synchronized military activities in Cambodia.

Officials said today that they believed the Soviet Union had transported arms and ammunition into Vietnam on those flights to prepare the Vietnamese for a major offensive in the area.

While, Vietnam accused the States of using its "highest power" — the Congress — to force the Vietnamese to deal with the Cambodian

Morgan Guaranty Warns on Massive OPEC Revenues Surpluses Too Large for Banks to Handle

By Carl Gewirtz

PARIS, Dec. 9 (IHT) — Morgan Guaranty Trust, one of the pre-eminent members of the Eurocurrency market, gave notice yesterday that commercial banks should no longer be counted on to handle the swelling revenue surpluses of the oil-exporting states to the same extent that they have since 1973.

This means a reluctance to accept the full increase in funds that members of the Organization of Petroleum Exporting Countries will seek to deposit with banks, estimated to run between \$50 billion and \$100 billion per year over the next five years. By 1983, total OPEC assets may have doubled to \$500 billion. It also means an unwillingness to increase lending to the deficit countries at anything like the 25-percent annual rate that has prevailed since the first "oil shock."

This intermediation by the major North American, European and Japanese banks — acting through the Euromarket to recycle funds from surplus to deficit countries — is universally credited with having cushioned the depressive impact of the fourfold increase in oil prices in 1973.

A Speech Saturday

But in a speech yesterday to the board of governors of the Atlantic Institute for International Affairs and in an interview, Rimmer de Vries, Morgan's senior vice president, warned that it is a mistake to think that the adjustment over the next five years will be as smooth as that of the last five.

Many critics have warned that banks have risked becoming beholden to very large OPEC depositors and overextended in their loan exposure to developing countries. For example, external lending by commercial banks in the principal industrial countries, net of interbank transfers (a figure that excludes lending to other banks), is estimated to

have risen from some \$170 billion at the end of 1973 to \$640 billion by the end of last September.

But in congressional hearings and public speeches bankers and government officials have repeatedly stated that fears about these developments were largely unfounded and greatly exaggerated.

'Oil Shock'

Underlying these views was the assumption that the "oil shock" and the adjustment to it was a one-time thing. In fact the price of oil subsequently declined in "real terms" as inflation eroded the purchasing power of OPEC's earnings. But this year, the price of oil has risen by more than 60 percent (other calculations have put the rise at 80 percent), and it is widely assumed that this is only the beginning of a long period of rising oil prices in real terms. This means a continually rising OPEC surplus in contrast to the steady decline that marked the 1970s.

It also means slow growth in the industrialized countries and difficult-to-find export markets for the newly industrializing countries (the small group of developing countries where banks have done the bulk of their lending) is not simply a transitory response to a one-time shock, but that it is a long-term fundamental adjustment to an on-going crisis.

Now, Morgan Guaranty is warning that complacency about the enormity of the problem of handling so much money — fostered by the smooth recycling of funds to date — might slow the drive to find solutions. The problems, as Mr. de Vries sees it, are:

- How the huge OPEC surpluses can be recycled without leaning so heavily on participation by banks.
- How the OPEC states' desire to diversify their currency holdings can be satisfied without upsetting foreign-exchange markets.
- How the deficit countries can be weaned from the Euromarket's easy access to finance and instead to borrow from the International Monetary Fund where lending is conditioned on sound economic policies.
- "OPEC assets may double over the next few years and may climb to over \$500 billion by 1983," Mr. de Vries told the Atlantic Institute. "The currency disposition of these assets will have a major bearing on exchange-market sentiment and could have a severely disruptive impact on exchange rates unless wisely handled."
- His suggestion, in addition to urging a more active role for the IMF and a direct role by OPEC countries in recycling their surpluses to deficit countries, is the formation of what he calls "off-market diversification facilities."

Despite West German, Swiss and Japanese reluctance to see their currencies used as reserve assets by other central banks, Mr. de Vries said that "diversification . . . will occur" whether or not the governments approve. The only question is whether the shift out of the dollar is channeled "sensitively and on a scale commensurate with the explosive growth in investment portfolios of some reserve holders."

His central theme is that "there is no room for complacency . . . just because the banks handled the job so well during the 1970s."

"On the very optimistic assumption that there is no further real change in the price of oil after 1980," Mr. de Vries estimates that OPEC's "current-account surplus [exports minus imports] after allowing for direct OPEC aid disbursements of \$20 billion per year will average \$56 billion a year through 1985."

A more realistic scenario, he believes, is a real increase in the price of oil of 3.8 percent

Portfolio Diversification

On the other side, the already substantial exposure of banks to major non-OPEC developing-country borrowers "would have to grow by approximately 20 percent per annum to meet all projected balance-of-payments financing requirements if banks continue to account for the same large share of financing that has characterized recent years," he said.

But "the need for portfolio diversification and risk-dispersal probably will constrain the banks' capacity to meet some countries' potential financing requirements," he warned.

"While banks will continue to play an important role in intermediating OPEC surpluses and in financing balance-of-payments deficits during the 1980s, their share will and should diminish," he said.

The solution he favors is the off-market diversification facilities, whereby Saudi Arabia could sell dollars to the Bundesbank in exchange for securities denominated in Deutsche marks. The interest rate, maturity and other conditions negotiated between the

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Evicted Settlers Getting New Site Near Elon Moreh

JERUSALEM, Dec. 9 (UPI) — Israel today ordered work to start at a new site for settlers ousted from the outlawed outpost of Elon Moreh, as hundreds of West Bank Arabs burned tires and set up a rock barricade to disrupt the operation.

A government spokesman said after the weekly Cabinet meeting that military authorities have been instructed to start work immediately on a new settlement near Elon Moreh.

The settlers agreed last week at a meeting with Prime Minister Menachem Begin to move to the new site. The Supreme Court declared their outpost illegal on Oct. 22 because it was established on private Arab land.

The Cabinet spokesman said that the substitute settlement would be on Mount Kabir, near Nablus, and would involve no expropriation of private land.

Seeks Steady Links With Iran

Turkey on Tightrope Between Islam, West

By William Claiborne

ISTANBUL (WP) — As the Islamic revolution across its eastern border continues to heat up in anti-American fervor, Turkey — one of the last bastions of Western influence in this strategic corner of the world — is gingerly but adroitly walking a tightrope over a gulf of ideological differences that portend painful and possibly fateful decisions by the new government of Premier Suleyman Demirel.

While continuing to negotiate with the United States on the future of its 26 military surveillance installations on this southeastern flank of the North Atlantic Treaty Organization, Turkey is also attempting to maintain rapport with the United States' bitter adversary, the revolutionary theocracy of Iran's Ayatollah Ruhollah Khomeini.

To wrap up the financing of a costly and sorely needed modernization program for its 500,000-man armed forces, Turkey will be obliged to allow the United States to keep its installations, which include a nuclear-equipped tactical fighter-bomber squadron at the Incirlik base near Adana, within easy striking distance of Iran.

Wheat for Oil

But, to keep hope alive for wheat-for-oil deals with Iran and to continue mutually beneficial collaboration with the Iranian government over controlling the Kurdish struggle that has spilled across the border, Turkey cannot afford to turn its back on its Islamic neighbor to the east.

Mr. Demirel's government was eager not to alienate either the United States or Iran — for fear of trouble. And if there is one thing that Turkey does not need now, it is more trouble.

When asked recently what Turkey would do if the United States asked permission to launch a military offensive against Iran from bases here, Mr. Demirel deftly sidestepped the question by saying that the United States should not ask the question. But it appears unlikely that he would permit a jumpoff for any U.S. intervention because of the risk of becoming totally isolated in the Moslem world.

Worsening Economy

With a critical balance-of-payments problem, a steadily worsening economy and a wave of political terrorism that has brought this country to the brink of anarchy, Turkey can ill-afford to become isolated in the region.

But the stakes in the drama are also high for the United States, which depends on its installations

here to collect an estimated 30 percent of its electronic intelligence on Soviet space centers, nuclear tests and fleet movements in the Black Sea. The importance of these installations has grown since the closing of American monitoring facilities in Iran.

The major stumbling blocks over an agreement to extend the bases has been Turkish demands to share the bases equally, the conditions under which U.S. forces could use the bases for attack and the amount of military and economic aid Turkey would receive in tradeoffs.

Unrest Raises Questions At Iranian Oil Company

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usual, and on Thursday only supervisors came to work.

After two weeks, Mr. Shahideh recounted, the employees' council decided to stop blowing the whistle at 2 p.m. because some workers quit working then but stayed until 3 p.m. Now the whistle blows at 3 p.m. and nothing more is said about the six-day week.

Moreover, when Ali Akbar Moinefar, the oil minister and the chairman of the National Iranian Oil Co., visited Abadan and met with the craftsmen in the shops, "they showed their teeth," Mr. Shahideh recalled. Bombarded with angry questions, Mr. Moinefar walked out. The refusal of the craftsmen to work a six-day week mirrored reactions in other companies, according to Iranians, and reflects a new uncertainty in labor-management relations that has grown out of the revolution.

Pipeline Sabotage

The managers dismissed as inconsequential several acts of pipeline sabotage in recent months. They were attributed variously to "saboteurs" of Ayatollah Ruhollah Khomeini and "design influences," a discreet reference to nearby Iran.

The authorities have not identified publicly any suspects, no organization has claimed responsibility and no one knows whether the attacks on the pipelines — by dynamite and by gunfire — are likely to happen again. Mr. Shahideh and Souren Sarkissian, the general manager for the oil fields, both said that the several instances — neither had an exact count — had in no way disrupted operations.

They and M.H. Asgharzadeh, the Kharg Island terminal manager, argued that, with the fields, pipelines, refinery and tanker-loading berth

As the mutual security negotiations lumber along at the diplomatic level, political undercurrents of a more fundamental nature are also at work in Turkey, and some of them bear on the Iranian question.

Although Islamic extremism here does not even begin to approach the level of Iran, there have been some early signs of such revivalism, although overt expressions of it are usually kept in check by martial law.

As a result of accelerated urbanization and a similar kind of inward migration to the cities from the

provinces that had helped foment Iran's turmoil, there is a growing base of restive, disillusioned youth in Turkey that is susceptible to Islamic fundamentalism and political extremism. Half Turkey's population is under 25 and a quarter is under 15 years of age.

Terrorism is widespread throughout the country — political assassinations are reportedly at 10 a day — and much of the killing is done by young men who identify either with the extreme right or the extreme left, although provincial grudges and almost clanlike animosities appear to be at the root of many assassinations.

With this inability to stem terrorism, whatever the motivation, the government probably would be hard pressed to cope with any surge of Islamic extremism if it took a violent turn.

Devout Moslems

The most likely catalyst for such a movement would be the leftist and anarchist extremists who are bent on proving that Turkey's democracy has failed, although they have yet to identify in any organized way with Islamic revivalism.

The key leader of Moslem fundamentalism is Necmettin Erbakan, head of the National Salvation Party, whose support Mr. Demirel needs. The devout Moslem religious vote in Turkish elections is about 15 percent, most of which comes from the NSP. But Mr. Erbakan faces certain imprisonment if he openly advocates an Islamic republic.

But there are other, and more significant, reasons why Turkey is not likely to become, as many Americans fear, the "next Iran."

For one thing, Shiites are a minority of 10 to 15 percent of the dominant and more secular Sunni sect of Islam, and even they are more modern and less devout than their brethren in Iran. Traditionally, religion has been less intense in Turkey, institutionalized within the government, unlike Iran where the ayatollahs formed a powerful independent infrastructure.

Turkey has a democratic system — however problem-plagued — in which a majority of Turks still have faith. In spite of the country's many problems, 70 percent of the electorate went to the polls on Oct. 14, and 47 percent voted for Mr. Demirel's conservative Justice Party, which is about as far removed from the Ayatollah Khomeini genre of extremism as it could be.

Morgan Guaranty Warns Of Huge OPEC Revenues

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two parties — by being below market rates — could effectively represent some sharing of the exchange risk undertaken by the Bundesbank in selling DM securities for dollars.

U.S. Securities

The Bundesbank would then invest these dollars in U.S. government securities, at terms above market rates, again allowing the Bundesbank to share some of the remaining exchange risk with the United States.

These funds might then be made available to the IMF, for it to re-lend to deficit countries that were willing to submit to the conditions and economic policies that the lending agency might suggest were needed.

Mr. de Vries believes that the much-discussed IMF substitution account, which attempts to channel reserve diversification into special

Thais Report Border Clash

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like other Khmer Sen groups, has not claimed that it can defeat the Vietnamese on the battlefield. Vietnam is estimated to have 170,000 troops deployed in Cambodia. Rather, the group's leaders have told interviewers that they can hope only to maintain long-term harassment against the foreign troops so that, if a political settlement is made, non-Communist Cambodians will have some influence.

Before the Vietnamese attack the front controlled a large strip of territory opposite the Thai border district of Tha Praya. Civilians lived in small and scattered villages as far as 30 miles inside Cambodia.

U.S. Planes Turned Back

SINGAPORE, Dec. 9 (AP) — Two U.S. planes carrying cargo for Cambodia had to land in Singapore because the Cambodian government denied them permission to land in Phnom Penh, a U.S. Embassy spokesman said today.

A C-54 Galaxy picked up crates mounted on trucks in Tokyo and flew to the Philippines to proceed to Phnom Penh, but had to turn back to Singapore yesterday, the spokesman said. The second plane, with a similar cargo, landed in Singapore today.

Canadian Aide in Paris

PARIS, Dec. 9 (AP) — Canadian Foreign Minister Flora MacDonald arrived today for a three-day visit during which she will have talks with her French counterpart, Jean Francois-Poncet.



Only a few Iranian guards in oilskins and television crewmen with umbrellas remain in front of U.S. Embassy on rainy day.

U.S. Hostages to Appear Before World Tribunal

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in Iran, with the collaboration of all anti-imperialist and anti-Zionist groups.

Mr. Ghotbzadeh said that Iran would not attend the International Court of Justice hearings that were to begin tomorrow in The Hague on the seizure of the U.S. Embassy and the holding of the hostages. He said that the court was not competent to judge the matter.

In Washington, Zbigniew Brzezinski, President Carter's national security adviser, said today that the Carter administration expected the international community gradually to increase economic pressure on Iran unless it releases the hostages. "I would expect that, if the problem is not quickly resolved, the international community will proceed gradually to make its disapproval felt more tangibly," he said.

Mr. Brzezinski said that the United States was not asking for an im-

mediate embargo because it wanted to make sure that the international community was united against Iran's actions.

He also said that, if Iran put the hostages on trial, the United States "could hardly sit by. What precisely we would do is hard to forecast."

Vance Trip

As Mr. Brzezinski spoke, Secretary of State Cyrus Vance was preparing to go to London, Paris, Bonn and Rome to discuss with European leaders the economic leverage that might be applied to secure the release of the hostages. He was scheduled to go to Brussels afterward for a meeting of the North Atlantic Treaty Organization on Wednesday.

Last week, a group of U.S. officials went to several European countries to bring those governments up to date on the consequences of the U.S. move to freeze Iran's assets, a move that has been criticized by some European banking officials.

Meanwhile, special envoys from West European and Middle Eastern governments friendly to the United States have begun arriving in Iran to seek to open negotiations on behalf of the United States in a renewed effort to release the hostages, State Department officials said yesterday.

They intended to offer a package deal for the release of the hostages and for giving Iran a suitable international forum to publicize its grievances against the shah and the United States.

In Tehran, a group of professors from the University of Kansas at Lawrence, calling themselves the Committee for American-Iranian Crisis Resolution, said today that they were trying to open a dialogue of peace as the first step toward solving the crisis. They said that they had received strong indications from Iran that all the conditions for the release of the hostages were negotiable. They were not acting on behalf of the U.S. government.

In Moscow, Pravda warned today that U.S. "hawks" were pushing the Carter administration toward dangerous adventurism in Iran, and that there could have grave consequences.

UN Sets Hostage Convention

UNITED NATIONS, N.Y., Dec. 9 (UPI) — There were no representatives from Iran when the U.N. General Assembly's 152-nation Legal Committee adopted without a vote the new International Convention Against Taking Hostages.

In the 20-article convention, participating states agree on extradition of "appropriate" punishment of offenders.

Rebels, Khomeini Forces Clash in Heavy Fighting

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they were instructed otherwise by Ayatollah Shariatmadari, after a meeting with Ayatollah Khomeini at the Iranian leader's home in Qom last night, said that their discussion had been "very fruitful and effective."

Earlier yesterday, in a message broadcast on Tabriz radio and television but not elsewhere, Ayatollah Shariatmadari said that agreements he had made with Iranian leaders were being broken and that, if the situation continued, he would not be responsible for what happened in Azerbaijan.

He also warned yesterday that the situation could deteriorate into open rebellion, similar to this year's fighting in Iran's Kurdish minority areas. "The tragedy of Kurdistan may be repeated," he said.

In Zahedan, a southeastern provincial capital, rebellious Baluchi tribesmen have taken the governor general and other officials as hostages, demanding regional autonomy within a month, Iranian sources said.

News Analysis

Soviet Navy Is Inactive In Face of U.S. Buildup

By Drew Middleton

NORFOLK, Va. — The comparative inaction of the Soviet navy in the face of the largest United States naval buildup in the Indian Ocean since World War II is an enigma to American staff planners.

One theory put forward here at the naval headquarters of NATO is that the Soviet Union is waiting to learn where U.S. crisis deployments will create a vacuum in maritime security.

The U.S. Navy has pulled two aircraft carrier battle groups out of the Seventh Fleet, in the western Pacific, to form an impressive naval force in the vicinity of the Gulf. The total of 21 ships in the Gulf and Indian Ocean and 33 ships of the Sixth Fleet, in the Mediterranean, are a major projection of American sea power in support of the Carter administration's diplomatic efforts to free the hostages held in Iran.

Moscow's Response

In contrast with past crises, Moscow's response has been relatively mild. The Soviet squadron in the Indian Ocean and Arabian Sea normally has about 20 ships but it had been under normal strength. By Dec. 5, the Soviet Union increased its strength in the Indian Ocean to 18 vessels, still below normal. Meanwhile, patrol planes, reportedly flying from bases in the southern Soviet Union, continue to observe the movements of the two carrier groups.

In 1958, when the U.S. sent marines into Lebanon and Britain dropped a parachute brigade into Jordan, the Soviet Union responded by raising the strength of its Mediterranean squadron to 96 ships. During the 1973 Israel-Arab war, reinforcements of Soviet naval strength in the Mediterranean to 95 ships.

One possible explanation for Soviet naval inactivity in the Iran crisis is that the Soviet Union considers there is no need to bolster its forces in the region. There are 23 Soviet divisions in the Transcaucasian and Caucasian military districts, the two closest to northwest Iran. One airborne division is in what is called Category 1, meaning that it has all equipment and personnel at hand. Of the other divisions, about a third are in Category 1.

Soviet Strike Forces

Soviet forces ready for immediate deployment into Iran, thus total about 120,000 men. These would be backed by tactical air arms in the two military districts with a total strength of perhaps 800 fighters and strike planes.

Analysts estimated that six more divisions, two in Category 1, and 400 aircraft are deployed in the Turkmen Republic, opposite northeastern Iran. The Soviet Union, consequently, is far better prepared for rapid intervention in Iran by air or ground forces than is the United States.

Crisis in Belgian Cabinet Feared Over NATO Vote

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first has been made by Denmark and Norway.

The Carter administration, however, argues that disarmament talks stand little chance of success unless NATO has the new weapons as a bargaining counter.

Defending the need for a firm NATO decision now, Mr. Simonet said: "If we delay the decision for, say, six months, as some people are urging, it will give the Soviet Union six months more to develop the psychological campaign, which they have been pursuing already with some success."

East Bloc Campaign

Campaigns by Eastern European embassies in Brussels helped cement opposition to the new weapons among ecologists, anti-nuclear groups and militant leftists in the Socialist parties, diplomats said. They added that the Dutch parliament's vote Thursday against the arms package strengthened Belgian Socialist antagonism.

An estimated 10,000 demonstrators — including Turkish guest-workers and West Germans, Dutch and Norwegians as well as Belgians — marched in Brussels today to protest the missile plan.

Despite their anti-NATO campaign, a Belgian official with access to diplomatic reporting from East Europe said today that Warsaw Pact governments expect the Western alliance to decide on the new weapons. "They'll be very surprised if we don't go ahead," the official said, adding: "And they'll draw conclusions about NATO's political weakness."

In his plea for Belgian support of the NATO plan, Mr. Simonet told parliamentarians that Western security "depends essentially on the credibility of the NATO alliance."

Need Outlined

NATO approval of basing the new U.S.-made missile launchers in Europe would strengthen the coupling of U.S. force to the defense of Europe in an era when the "threat of massive retaliation from U.S. territory in response to a limited conventional or tactical nuclear attack (by the Soviet Union) lacks full credibility," he said.

"We forget too easily that it was the Europeans themselves who, three years ago, were worried about the risk of seeing SALT-2 talks limit or prevent the deployment of [U.S.-made] arms to maintain an approximate parity in the European theater," he said.

The missing piece in the Soviet puzzle is the Soviet navy's comparative inactivity. Few believe there is because of willingness to be back seat to the army and air in the projection of Soviet power. Analysts are considering the possibility of a more sinister explanation.

U.S. Seventh Fleet

Since the collapse of Soviet naval expansion in 1975, the Soviet navy has been expanding in the western Pacific, but it has been restrained by the U.S. Seventh Fleet, which built around two aircraft carriers and 19 major surface warships. Now those two aircraft carriers, the Midway and the Kitty Hawk, with a cruiser and a destroyer, are in the Indian Ocean, six ships of the Middle Fleet are in the Gulf.

This concentration of forces were cut in the strength of the Sixth Fleet and thereby offered a major opportunity for the Soviet Union to rearm the Third Fleet in the Eastern Pacific, but then the Third Fleet was left behind strength.

The harsh truth discernible from the U.S. Navy does not have a clear-cut answer. It is not clear whether the U.S. Navy does not have the ships to carry out its normal missions and provide the necessary force for distant crises on a term basis.

American Weakness

The expanding Soviet navy take advantage of the American weakness in the Pacific in two possible ways. One would be to concentrate the land installations around the Vietnamese-Cambodian border and the Cam Ranh Bay and Da Nang of North Vietnam. The other would be to concentrate the ships in the Philippines in the event of a conflict with China in the South China Sea.

A second Soviet move to increase deployment is from Petropavlovsk, on Kamchatka, southward to the Sea of Japan. For the United States, the Philippines, the Soviet Union would be filling a vacuum in the United States. Moscow would have extended the eastern frontier in the Pacific as it would have extended its sea frontier to the Sea of Japan.

The American squadron in the Indian Ocean and the Sixth Fleet are carrying out normal missions. The Soviet navy is increasing its strength in the area by American fighters.

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Response to 3-Mile Island Carter Removes Chairman of Nuclear Energy Panel

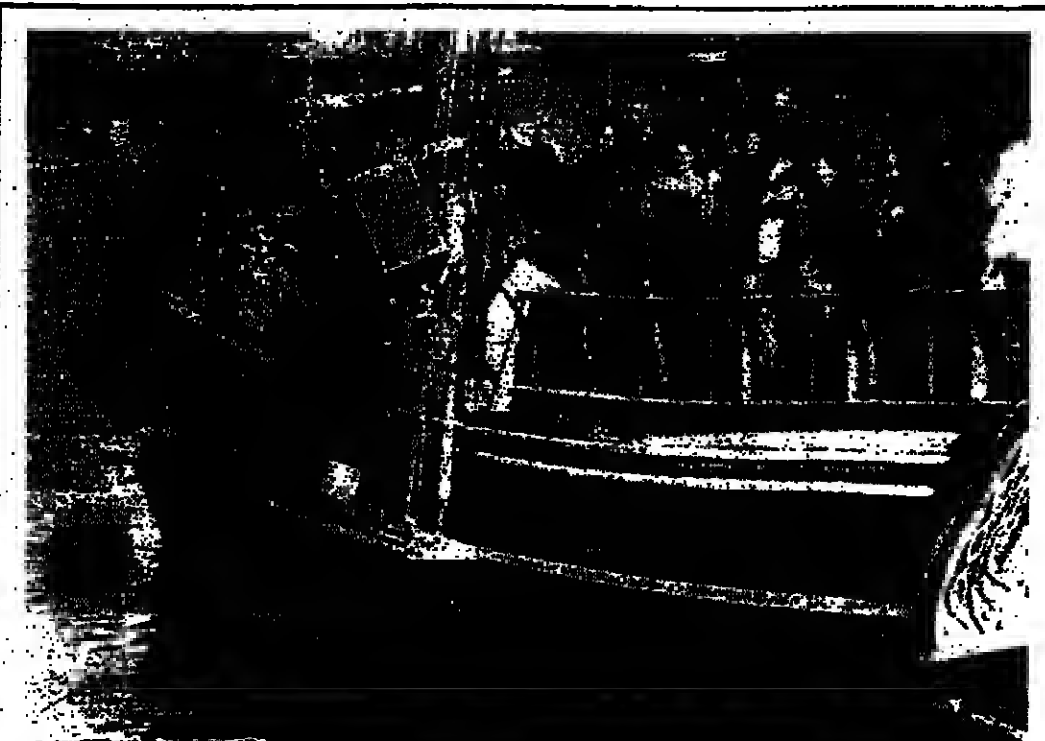
By David Burnham

WASHINGTON, Dec. 9 (NYT) — President Carter has fired Joseph Alsop as chairman of the Nuclear Regulatory Commission and appointed several other changes that will improve the safety of the nuclear industry in response to the accident at Three Mile Island, Pa., last March.

At the same time, Mr. Carter said that the United States "cannot afford to shut the door on nuclear energy." He strongly urged the NRC to its present pause in the licensing of new reactors as soon as possible — "in any event no later than six months from today."

Recent events in Iran have put on the clear, stark dangers of nuclear dependence on imported oil holds for our nation," Mr. Carter said. "We must make every effort to lead this country to a secure energy future."

He added that every domestic energy source, including nuclear power, is critical if we are to free our country from its overdependence on the unstable sources of high-priced foreign oil. We do not have the luxury of abandoning nuclear power or imposing a lengthy moratorium on its development.



FISH PARTY — In their own version of the Boston Tea Party, environmentalists Saturday tossed empty fish crates over the side of ship Beaver in Boston to protest sale of oil leases off George's Bank. The protesters oppose the lack of safeguards to protect the fishing industry.

1 1/2 Gallons Daily for Each Vehicle

Carter Asks Standby Gasoline Rationing

By Richard D. Lyons

WASHINGTON, Dec. 9 (NYT) — The Carter administration has put forward a standby proposal for gasoline rationing that presumes the availability of about 1 1/2 gallons per day for each of the 135 million vehicles in the United States.

If put into effect in an emergency, the program would spend \$2 billion a year to administer and enforce the distribution of billions of coupons.

Douglas Robinson, acting director of the Energy Department's Economic Regulatory Administration, said Friday that the plan would allow a "white market" in rationing coupons.

The plan, which is open for public comment for the next month, with a final version to be sent to Congress in February, would set aside supplies of gasoline for emergency services, the handicapped and other special groups.

Mr. Robinson said that if a national emergency arises, coupons now in storage in Denver would be used first. After that, the system would provide "coupon checks" that the government would mail every three months to all vehicle owners for cashing at their local banks or post offices.

According to the terms of the legislation that required the Carter administration to draft the rationing plan, it could be put into effect by presidential order only if there were a shortage of 20 percent or more of supplies of gasoline and home heating oil, or if the president determined that the United States had not met energy conservation quotas agreed upon with U.S. allies.

Panel Proposes U.S. Reforms in Social Security

WASHINGTON, Dec. 9 (NYT)

An advisory board of business, labor, academic and political figures has recommended that the Social Security payroll tax be reduced and that Medicare hospital insurance be financed by individual and corporate income taxes.

The 1979 Advisory Council on Social Security also recommended Friday that all Americans who work most of their lives be guaranteed large enough retirement benefits to keep them out of poverty, that half of all Social Security benefits be taxed as ordinary income, and that additional protection be given to divorced persons, widows and widowers.

The payroll tax is now 6.13 percent each for the employer and the employee on the first \$22,900 of income. The rate is scheduled to remain the same next year, but the wage base is to rise to \$25,900. In 1981, the tax rate is scheduled to rise to 6.65 percent and the wage base is to become \$29,700.

The advisory council proposed reducing the rate to 5.6 percent and keeping it there for the next 25 years. It recommended that the wages on which taxes are paid should rise more slowly than under current law — to \$24,900 next year and \$27,000 in 1981. The 1979 council is the seventh to be established by law since 1938. The recommendations of past councils have often prompted Congress to enact major changes in the Social Security system.

Iranian U.S. Fighters Passed Within 10 Feet of Concorde

By Richard Witkin

NEW YORK, Dec. 9 (NYT) — A French Concorde recently within 10 feet of colliding with Iranian F-15 fighters off the Atlantic coast southeast of New York City, the pilots reported the near-miss five weeks ago, but it was not until Friday that the government disclosed how close the planes came.

The Air Force accepted responsibility for the incident. Its report "Radar controllers did not have adequate traffic information on the F-15 formation commander, who inadvertently allowed the Concorde to deviate from his altitude."

Observers could recall an incident in which an airliner had a mid-air crash by so narrow a margin, nor an instance in which an airliner had such a close call with a whole formation.

The incident occurred in the morning of Oct. 30 off the coast of New York. The Concorde, headed east and under control of the New York area, located at Newark, N.Y. The F-15s were under control of Air Force ground control at Fort Monroe, Va.; they were making a descending left turn to the southwest.

The Air Force said the Concorde, flying at less than the speed of sound at the beginning of a flight to Paris, passed 10 feet above the formation leader and 15 feet in front of the No. 3 plane. The supersonic fighters also were flying subsonically, maneuvering to rendezvous with a KC-135 refueling plane.

Right of Way

The Concorde was flying at its assigned 28,000 feet. The fighters should have been no lower than 29,000 feet, but descended through the Concorde's right of way.

The Concorde, which had taken off from Washington's Dulles International Airport with 16 passengers and a crew of nine, was flying along a corridor routinely used to channel nonmilitary planes through an offshore military control area.

Plans for the refueling had been made known long in advance, and the 29,000-to-31,000-foot altitudes in the military zone had been reserved for the exercise.

At 2:25 p.m., according to an FAA communications transcript, the Concorde radioed the control center that it had reached 28,000 feet. One minute later, it reported: "We are in the middle of a formation at flight level two eight zero." At 2:30 the Concorde pilot called again: "Just had a near miss with five aircraft."

Data retrieved later from FAA computers showed that the lead fighter, the one equipped with the device to radio altitude information to the ground, had moments before descended to an altitude of 27,200 feet. The Concorde flew safely to Paris. The fighters returned to Langley Air Force Base, Va.

Spokesmen for both the Air Force and the FAA said no consideration was being given at the moment to any changes in the rules permitting military refueling missions to be conducted so close to civilian traffic corridors.

But the Air Force spokesman said: "We're taking action to get information on what happened to everyone who should know. They're being told of their responsibilities."

Bomb Explodes At Office in N.Y. Of Cuban Mission

NEW YORK, Dec. 9 (NYT)

Two police officers standing guard in front of the office of the Cuban mission to the United Nations restrained and searched a Spanish-speaking member of the mission's staff when he attempted to warn them of a bomb shortly before it exploded Friday night at the mission building here.

"They have a closed-circuit TV scanner in the mission building," a police official said yesterday. "Someone from the mission ran out to the police booth, started shouting in Spanish something like 'Bomb, bomba.' The officers didn't know who he was."

Shortly after the bomb exploded, blowing out windows in a two-block area, the anti-Castro terrorist group Omega 7 phoned news agencies and took responsibility for the blast. It has claimed responsibility for six explosions in the last eight months.

The two police officers were treated for minor injuries in the explosion. There were no other injuries.

A police source said that two men had been seen placing the bomb but that they escaped. The bomb was smoking, the source said, and the person carrying it warned several persons in the area to "get away, a bomb will go off."

Justice Officials Use IRS Aid in Narcotics Probes

WASHINGTON, Dec. 9

— Federal officials brought \$3.2 million in cash into a Senate hearing to underscore the need for aggressive prosecution of major drug dealers.

Cash, which had been seized in Los Angeles last October, represented an "infinitesimal part" of \$55 billion in illegal narcotics that escapes federal taxation, the Senate permanent subcommittee was told by the Los Angeles Times.

Bensinger, head of the enforcement administration, or Justice Department official, testified that the Internal Revenue Service no longer gives full attention to narcotics investigation through billions of dollars of untaxed revenues are at stake.

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But the Air Force spokesman said: "We're taking action to get information on what happened to everyone who should know. They're being told of their responsibilities."

Bensinger and Robert Perry, U.S. attorney in Los Angeles, testified that the \$3.2 million in cash was seized from a Panamanian bank account, which has gone untraced, as it was about trucked to an intermediate Florida by an armored car. The suspected owner of the cash was not identified.

Bensinger and Irvin Nathan, assistant attorney general, testified that new IRS policies play a role in narcotics enforcement programs. Instead, the tax is focusing more on average taxpayers.

**MUSICAL COMPOSITION PRIZE
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The prize for Musical Composition organized by the Prince Pierre of Monaco Foundation will be given for the 21st time in the Spring of 1980, in Monte-Carlo. The deadline for submitting candidates is April 1, 1980.

This competition, with its grant of 30,000 French Francs, will be awarded exclusively, in 1980, to the works of Symphonic Music and Ballet Music. The work having obtained the "Prince of Monaco Musical Composition Prize" will be performed, in Monaco, in the course of the year following the Jury Selection.

To obtain the rules for the competition and any further information, please write to:

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Byrd Asserts Arms Treaty Is Not Dead in U.S. Senate

By Robert Pear

WASHINGTON, Dec. 9 (NYT) — Robert Byrd, the Senate majority leader, said yesterday that contrary to recent pessimistic forecasts the strategic arms treaty was still "very much alive," has the highest legislative priority and would be voted on by the Senate early next year.

The treaty has lost momentum because of several factors, including the Iranian crisis, and some Senate staff aides insist that Sen. Byrd could not now muster the two-thirds majority needed for ratification.

Sen. Byrd said the crisis in Iran illustrated one argument for the treaty, which he endorsed Oct. 25. After limiting the need for further spending on strategic arms, he said, the United States could spend more on conventional weapons, which would be useful in such "localized crises" as Iran.

The West Virginia Democrat, a supporter of the arms-limitation agreement with the Soviet Union, said: "The Senate will reach a vote on this treaty early next year, make no doubt about it. It will be my top priority." The fact that circumstances have caused a delay, he said, "should not be of any comfort, support or encouragement to opponents of the treaty, in the Senate or outside."

Sen. Byrd had said last week that the atmosphere was unsuitable for Senate debate on the treaty, which he had once hoped to begin in early November.

Asked whether the treaty were dead, Sen. Byrd said it was "very much alive and kicking." He said he would have no reluctance to call up the treaty simply because the outcome on the Senate floor was uncertain. Indeed, he said, "It is through the debate itself that decisions are formulated and the wisdom of proceeding with approval of this treaty can be made clear."

Noting predictions that the treaty's prospects would diminish with the intensification of presidential politics next year, Sen. Byrd said, "We have seen these premature, ill-fated, ill-conceived prognostications before" — for example, before Senate approval of the Panama Canal treaties.



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Islamabad Protests

ISLAMABAD, Pakistan, Dec. 9

(UPI) — Pakistan issued a protest to Afghanistan yesterday saying that Afghan planes had violated its airspace and bombed Pakistani villages near the border.

The Pakistani Foreign Ministry summoned the Afghan ambassador and gave him what officials called a strong protest against the incidents Thursday in Chitral, Pakistan has issued several similar protests in the last few years to the government in Kabul.

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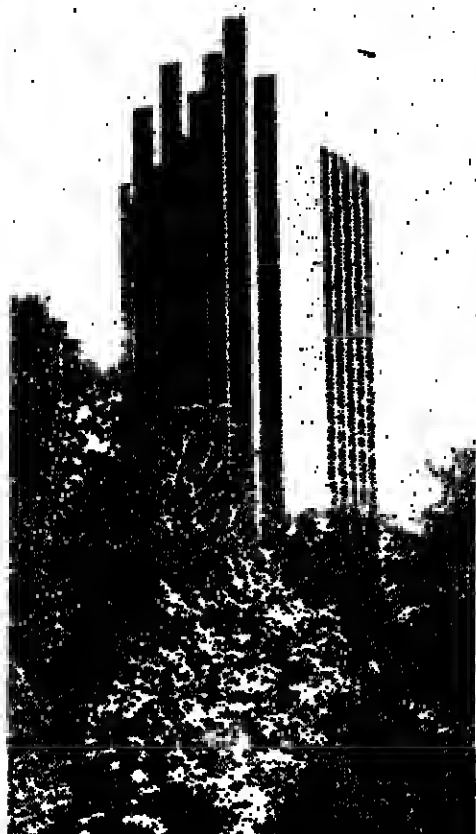
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West Bank Autonomy Talks Dragging

By Edward Cody

CAIRO, Dec. 9 (WP) — The new U.S. envoy to the Middle East, Sol Linowitz, conceded today that the May deadline for setting up an autonomous Palestinian administration on the occupied West Bank may not be met.

But Mr. Linowitz emphasized the determination of President Carter and the leaders of Egypt and Israel to persevere despite the slow pace of progress so far in the seven-month-old negotiations set up under the March 26 Egyptian-Israeli peace treaty.

His carefully balanced comments were made after more than two hours of talks with President Anwar Sadat, his first contact with the Egyptian leader since taking over as the chief U.S. negotiator. They illustrated the cautious, lawyerly approach that the 66-year-old attorney has taken toward the talks, con-

tinuing with the folksy style of his predecessor, Robert Strauss. After his two days of talks here, Mr. Linowitz was flying to Israel tonight for what he called a similar "learning experience" with Prime Minister Menachem Begin and the chief of the Israeli negotiating team, Interior Minister Josef Burg.

Clouded by Iran

His Middle East tour, the first in his new job, has fallen under the cloud of the turmoil in Iran and preoccupation in Washington with the fate of U.S. hostages in Tehran.

Egyptian officials have expressed concern that the Iranian crisis was distracting Mr. Carter and his senior Middle East aides in the White House and the State Department from the Egyptian-Israeli negotiations. At the same time, they have underlined the "impending" U.S. presidential elections as a likely obstacle to high-level decisions on the

Middle East or any U.S. pressure on Israel to make concessions in the talks.

Mr. Linowitz emphasized that Mr. Carter, in a conversation in Washington, expressed continuing concern for the autonomy negotiations and the need to carry through on the peace process outlined at Camp David despite the Iranian drama and its consequences elsewhere. But, again balancing his remarks, he acknowledged that the Iranian crisis had affected the talks and indicated that he and Mr. Sadat had discussed the fallout in their meeting at Mr. Sadat's country home fifteen miles north of Cairo.

"Obviously, the developments in Iran do have repercussions and some of them will be felt in the negotiations in which we are engaged, if only because it will affect this part of the world," he said.

First-Name Rapport

Mr. Sadat, swiftly moving into the first-name relationship that has become his trademark, said that he had spent "a really charming time with Sol," but he avoided questions about the substance of the discussions.

Mr. Sadat is to hold a three-day summit conference with Mr. Begin starting Jan. 7 at the Egyptian resort of Aswan. Another round of autonomy talks is scheduled shortly before that in Israel, taking as its starting point reports prepared by technical teams that have been meeting regularly during the last several months.

Mr. Linowitz suggested after his discussion with Mr. Sadat that the Aswan conference could give new impetus to the autonomy talks, saying that Mr. Sadat had expressed to him an intention to turn the meetings with Mr. Begin into a substantial exchange. In particular, the U.S. envoy said, Mr. Sadat intends to pursue some "clear ideas" on resolving the dispute over Jerusalem's status in the proposed Palestinian administration.

Observers here quickly recalled, however, that Mr. Sadat had made previous expressions of intent before past meetings with Mr. Begin without anything ever coming of them during the actual talks.

25,000 Are Routed By Nicaragua Floods

MANAGUA, Dec. 9 (UPI) — About 25,000 persons were homeless after rain-swollen rivers flooded 40 towns in northeastern Nicaragua starting Friday, officials said during the weekend.

Officials said that helicopters were taking food, clothing and medicine to the region. The Coco, the Huapala, the Huapala and several other rivers flooded.



President Anwar Sadat of Egypt (left) and Sol Linowitz, new U.S. envoy to the Middle East, address reporters at their meeting at Mr. Sadat's country retreat north of Cairo.

Retired General to Begin To Reorganize Israel Army

By Dial Torgerson

JERUSALEM — A general who once invoked a rule prohibiting staff officers from saying "no" is returning from civilian life to reorganize the Israeli Army along the lines of the U.S. Army.

Maj. Gen. Israel Tal had been studying a reorganization plan since 1977 at the request of Defense Minister Ezer Weizman, who two weeks ago ordered it implemented. It was delayed because of opposition by two chiefs of staff.

Israel has had separate commands for the air force and navy, but the ground forces — in effect, the fighting army itself — had no separate command and worked directly for the chief of staff, Maj. Gen. Tal's plan adds a third major command to Israel's military structure.

Maj. Gen. Tal will become the commanding officer of the ground forces. Infantry, paratroops, artillery and engineers will be under him.

Mr. Weizman said that, because of the peace with Egypt, the reorganization is now possible. Israel had been afraid to tear up the chain of command when there was a possibility of war, and chiefs of staff reportedly objected to losing close control over the main fighting units.

Possible Candidate

Israeli military writers have described Maj. Gen. Tal as a possible candidate to be the next chief of staff of the Israeli Defense Forces, or IDF, as the military is called. Maj. Gen. Tal — formal, politically dovish and old for an Israeli general at 56 — would represent a big change of style for the IDF.

Most Israeli chiefs of staff have been men of action, famed for leading troops into battle at the front. Maj. Gen. Tal is a telegenic man who has success fought the system in and out of the army.

Unlike Israel's typically young generals, he has always been on saluting in his command. His top deputy was expected to salute him. Maj. Gen. Tal's nickname "Tal" — five for Tal — but no one has anyone ever calling him that.

Just before the Six-Day War in 1967, when he was commander of Israel's armed forces, he said that staff officers were missing to units in the field. He made changes.

No one in headquarters gave a negative response to a unit's request, he said, except colonels directly under him. They would have to come in to explain their actions. There were negative replies, clearly marked.

When field officers came that they could not reach off headquarters because they were meeting, Maj. Gen. Tal had meetings during work hours, he said, could be held in the afternoon. The number of meetings declined radically.

© Los Angeles Times

RUNNING BLINDFOLDED IN THE NUCLEAR ARMS RACE

NATO Deployment of Euro-Strategic Weapons

The proposed December NATO decision to deploy long-range ballistic and cruise missiles on European soil for the first time should be deferred.

With the fate of SALT II still unresolved, the U.S. is nevertheless pressing NATO governments, at the ministerial meeting this mid-December, to decide on the "modernization" of its long-range theater nuclear forces by the deployment of 572 strategic missiles in Western Europe.

But "modernization" is a seductive misnomer. This decision would not involve the replacement of existing nuclear weapons, but would be a new deployment concept. It would be the first time that NATO missiles capable of hitting Moscow and other strategic targets in the interior of the USSR would be deployed in Germany, the Netherlands and Belgium.

NATO: Target for Attack

For many years NATO has had allocated for its strategic use 400 invulnerable and untargetable submarine-launched ballistic missiles, including new Poseidon MIRVs, to balance Soviet medium-range missiles. But now NATO countries would for the first time become a target for a Soviet preemptive strategic missile attack. A decision of this magnitude and with such profound implications for Europe and the world should not be made lightly or hastily.

The recent authoritative report of the International Institute for Strategic Studies, *The Military Balance 1979-80*, concludes "that something very close to parity now exists between the Theatre Nuclear Forces [weapons with ranges greater than 100 miles] of NATO and the Warsaw Pact, although it is moving in favor of the Warsaw Pact." Furthermore, NATO has a significant but decreasing lead in shorter-range tactical nuclear weapons. Thus it is in the interest of NATO to freeze and, if possible, reverse the Soviet deployment of additional medium-range nuclear delivery systems now, not two, five or ten years from now. The proposed NATO deployments of 484 long-range ground-launched cruise missiles and 108 extended-range Pershing ballistic missiles—costing billions of dollars to U.S. taxpayers—could not begin until 1983 or later. By that time the Soviets, if unconstrained, could at least double the number of their SS-20 IRBMs.

Brezhnev Offer Should Be Explored

On October 6, 1979, President Brezhnev offered "to unilaterally reduce the number of medium-range nuclear rockets stationed in the western part of the USSR, compared with the present level, provided there is no additional deployment of medium-range nuclear weapons in Western Europe." While such a politically motivated Soviet statement cannot be accepted at face value, we share the view of our NATO allies that this offer of "unilateral" reductions should be explored promptly to determine real Soviet intentions. It is an opportunity that must not be overlooked or prejudiced by hasty actions.

The argument that NATO must proceed with deployment to have bargaining chips for negotiations is misleading since under no circumstance can these missiles be available for about five years. The Soviet reaction to a December decision to deploy the missiles would inevitably be a continued and perhaps accelerated build-up of its SS-20 missiles, probably without any phasing out of its older SS-4 and SS-5 MR/IRBMs. Thus for years NATO would be in an increasingly weaker bargaining position to get Soviet forces below current levels than it would be if it followed up the Brezhnev offer now.

Easier To Limit Before Deployment

Furthermore, the history of arms control has demonstrated over and over again that it is easier to limit weapons before they are deployed than it is to get rid of them later. The threat of the decision to deploy is the best bargaining chip, and this is confirmed by the timing of the Brezhnev offer. However, once the decision is made, the chip is played and no longer available, and the stakes are raised. Let's not repeat the mistakes of the Nixon-Kissinger Administration in not seriously trying to limit MIRVs in SALT I before they were deployed.

This argument is even more telling in the case of the long-range NATO missiles. There is no need to make the decision at this time, since NATO deployment of these new missiles cannot begin for three to five years. Development, testing and even planning for production can proceed on present schedules. There is nothing to lose and much to be gained by investigating the Brezhnev offer now, with the deployment decision being held in abeyance. If the Soviet offer of reductions proves unsubstantial or too long deferred, then there is plenty of time to make the deployment decision.

Hard To Verify

Finally, before a decision is made to deploy ground-launched strategic cruise missiles in Europe, consideration should be given to the long-term consequences of this action. Their small size and lack of readily identifiable logistical support make them easy to conceal and make it almost impossible to verify a limit on the number deployed. Once cruise missiles have been deployed and the Soviets have followed in our footsteps, as they inevitably will, NATO and the Warsaw Pact will be running blindfolded in a nuclear arms race without a finish line.

Thus we urge that the watershed NATO decision to deploy long-range strategic missiles on European soil for the first time be deferred. Instead, we should get SALT II ratified, and, at the same time, thoroughly explore the unique opportunity presented by Brezhnev's offer to reduce unilaterally Soviet medium-range missiles aimed at Europe. This could be an important first step toward easing the military confrontation in Europe.

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JANUARY 1980

Some Suspicion Remains

Appointment of Soames Draws Biracial Support

By John F. Burns

SALISBURY, Dec. 9 (NYT) — The appointment of Lord Soames as the British governor of Zimbabwe Rhodesia was welcomed by many blacks and whites, particularly supporters of Prime Minister Abel Muzorewa's biracial government.

Bishop Muzorewa, whose government will step down when Lord Soames takes the post, issued a statement on Friday saying that the appointment marked another step toward international recognition. Privately, an official close to the bishop said that Lord Soames was close to an ideal choice. The official said that Lord Soames' close ties to the British Conservative Party were "as good a guarantee as we could get" that British supervision of the transition to majority rule would be impartial.

Government supporters here long have regarded the Conservatives as more friendly than the Labor Party, which was in power when former Prime Minister Ian Smith broke with Britain in 1965. Sir Roy Welensky, who was prime minister of the old Central African Federation that included Rhodesia, took a similar view. "If we have to have a governor, then a man like Lord Soames, who is extremely able and as great diplomatic and political experience, is to be welcomed," he said.

Reaction to the appointment was less positive among whites suspicious of Britain's peace plan, and blacks favoring the Patriotic Front guerrilla alliance. Some whites expressed dismay at the prospect of a territory coming under direct British rule for the first time since Cecil Rhodes' pioneer column arrived here in 1890.

Independent Attitude

Long before the 1965 rebellion, settlers here developed ambivalent attitudes toward Britain. The majority were of British origin, but all a century of self-rule after 1923 led to an independent attitude. After the rebellion, Mr. Smith incited a widespread view that the Whitehall government was devious and bent on the settler community's destruction.

The view was reflected in the remarks of Valerie Ross, a farmer's wife who has lost two relatives in the seven-year guerrilla war. "We've never had any reason to trust the British completely but we'll just have to go along and see how it is," he said.

Early last week, Mr. Smith made an attitude play. The former prime minister, who was absent from Parliament when his Rhodesian Front

Party aligned itself with Bishop Muzorewa in voting support for the British plan, implied in an interview that the governor's assignment was to extricate Britain from the Rhodesian problem at whatever cost to the whites. "The British governor can come here, raise his Union Jack and sing 'God Save the Queen' until he is blue in the face, it's of no consequence to me," he said. "I've got children and grandchildren here and I've got to make it work."

Lord Soames, who is expected here this week, has been preceded by a party of British civilian and military officials who have spent several weeks preparing for the governor's assumption of power.

On Friday, Royal Air Force officers were at the Salisbury airport preparing for a combined U.S. and British airlift that is expected to begin within days. The U.S. Air Force C-5 Galaxies and C-141 Starlifters will assist the Royal Air Force in ferrying British helicopters, ground transports and other heavy equipment to be used by the 1,200-man Commonwealth force that will monitor the cease-fire. A British C-130 Hercules arrived last month with a limousine for the governor and communications equipment to be used in contacts with London.

Lord Soames will occupy the colonial mansion in Salisbury that was built for earlier British governors and occupied in recent years by the titular presidents of the breakaway regime.

Rhodesian Jets Attack in Zambia

SALISBURY, Dec. 9 (UPI) — Zimbabwe Rhodesian warplanes today attacked suspected black guerrilla concentrations in Zambia in what the military command described as an attempt to prevent insurgent infiltrations.

A communiqué said that the strikes were launched against guerrillas of Joshua Nkomo's wing of the Patriotic Front alliance at bases just inside Zambia.

Rhodesia Attacks Rebels

SALISBURY, Dec. 9 (UPI) — Zimbabwe Rhodesian forces today attacked Patriotic Front guerrillas in Zambia and Mozambique, the military command said.

It said that warplanes struck several guerrilla concentrations just inside Zambia, where Joshua Nkomo's wing of the Patriotic Front has bases. The communiqué said that a major staging base in Mozambique, occupied by Robert Mugabe's faction, had been attacked by ground forces.



Lord Soames (left) and British Foreign Secretary Lord Carrington after Lord Soames was appointed Rhodesia governor.

Pretoria's Reaction Boosts Hopes for Namibian Peace

By Michael Berlin

UNITED NATIONS, N.Y., Dec. 9 (WP) — UN and Western officials, heartened by South Africa's acceptance of a demilitarized zone between Angola and Namibia (South-West Africa), are prepared to move ahead with their plan for Namibian independence.

The next move, they say, is likely to be the start of technical discussions to work out the remaining military and political details of the demilitarized zone, a concept first proposed by Angola in August.

These talks could involve the dispatch of UN military officials to South Africa, Zambia and Angola to work out the specifics of the proposal.

The South African statement accepting the concept of a demilitarized zone reached the United Nations on Wednesday, just after the breakthrough in London on the Zimbabwe-Rhodesia peace talks, and just before the annual General Assembly debate on Namibia.

Rhodesian Link

Western officials expect progress on Namibia to be linked to Zimbabwe Rhodesia, as both the South Africans and the Front-line states examine what is happening in the British colony.

Though the South African statement was critical, Western officials who have been working on the independence plan for three years view it as positive. "We are back in business," said one. "It's something we can work with," said another.

The five Western countries negotiating the Namibia agreement are the United States, West Germany, Britain, France and Canada.

These officials cautioned that further progress could depend on a

low-key outcome of the UN debate on Namibia, and the private acceptance by the Front-line states and the South-West African People's Organization of the South African statement.

But in the view of the West, Pretoria's stand eliminates one of the last obstacles to the establishment of a UN peace force and observer corps that would supervise elections and the transition to independence for the territory, now ruled by South Africa.

Demand Rejected

A remaining obstacle appears to be South Africa's demand that SWAPO's guerrillas be disbanded one week after elections in Namibia — something SWAPO has not yet agreed to.

Other South African concerns included the conditions of deployment of the UN peace force and the retention of some South African bases in the demilitarized zone, but Western officials suggested that these could be resolved without difficulty, given the will.

In the General Assembly debate, a SWAPO representative said that the South African statement was a "far cry" from what had been expected, and must be "treated with the contempt that it deserves."

But the public response of SWAPO is significant "only if they are also adamant in private," said one Western diplomat.

The Zambian representative, Paul Lusaka, was more positive. The South African statement, "constitutes a conditional acceptance of the concept of a demilitarized zone, and will require further study," he said.

Patriotic Front Faces Obstacles in Election Campaign

By Caryle Murphy

SALISBURY (WP) — The white-run newspapers still refer to them as "terrorist leaders" even though they may return to this country to legally contest an election within weeks.

But for Joshua Nkomo and Robert Mugabe, co-leaders of the Patriotic Front guerrilla alliance, press terminology is just one of the problems they will face when campaigning against Prime Minister Abel Muzorewa in the British-run election to choose Zimbabwe Rhodesia's first internationally recognized black majority government.

Although the campaign has not been officially launched, Bishop Muzorewa has swung his election machinery into action with access to the media, to the white establishment's backing and to the government bureaucracy that is worthy of any incumbent.

Throughout the day the radio plays a jingle. "The people want peace, that's what the people want," with Bishop Muzorewa's voice in the background. The evening television news explains the activities of the Muzorewa delegation at the London conference where cease-fire discussions continue.

Front Banned

In contrast, the Patriotic Front has no sympathetic press here. The state television has not aired one interview with either leader since the conference in London began.

The Front also has no offices, facilities, political power or official parties since both political wings of the Front, Mr. Nkomo's Zimbabwe African People's Union and Mr. Mugabe's Zimbabwe African National Union, are banned here. They are likely to remain banned until the British governor arrives.

They cannot legally hold rallies and so are unable overtly to begin organizing before the two-month election period the British have stipulated. The Front wanted a six-month campaign.

Caphas Msipa, Mr. Nkomo's spokesman in Salisbury, works out of his home. He has complained about the bias of the media to the British representatives in Salisbury. Mr. Msipa said he also is concerned about reports that some white farmers say they will not allow the Patriotic Front to campaign on their property. About 1.6 million of Zimbabwe Rhodesia's 7 million blacks live on white-owned farms.

Campaign Tactics

From statements made so far, it appears that the Muzorewa party's campaign tactics will aim to portray the Patriotic Front as war-mongering, hardline Communists.

"The choice," Bishop Muzorewa said recently "is between democracy and a one-party Marxist state." His foreign minister, David Mukeke, has suggested that if the Patriotic Front wins, "people with

beautiful houses in black residential areas and the suburbs will have to explain how they acquired the money to buy or extend their properties. If found guilty of exploitation they will be forced to accommodate strangers free of charge as a form of punishment."

"If the PF takes over, there'll be chaos," said the minister of land and natural resources, George Nyandoro. He contended that under Bishop Muzorewa changes would also be made, but in an "orderly" manner.

"I wouldn't be surprised if the Muzorewa camp shows films of Stalinist Russia to the country peasants and said that is what the life under the Front will be like," said one young black reporter.

Provocation Cited

This angers the Front. "When I look at the intemperate utterances people are making against us, giving us names, and accusing us of things that are off the mark," said Mr. Msipa, "that's provocative and I begin to wonder if that could lead to violence instead of an election. People will start thinking with their blood instead of their hearts."

"If Nkomo were prime minister, the economy would go on more or less as it is with one difference — he

would like to see a better distribution of wealth and a removal of naked exploitation... through taxes and in some cases, ownership of major industries," Msipa said. Mining would probably be nationalized, he added.

"Nkomo is coming to look at the situation with an open mind" his spokesman said. "He's not dogmatic. He's not going to nationalize for the sake of nationalizing."

"Whatever 'ism' we follow in Zimbabwe it will be applicable [to the country]," said Tansi Ziyambi, a member of Mr. Mugabe's central executive committee. "We are not going to dictate against the interests of the people. We will hold congresses at which all issues will be thrashed out."

There will be an element of nationalization, for example in mining," Mr. Ziyambi said. "Other areas will be examined as we go along. But all aspects of industry in which the lives of the majority are involved will have to be, of necessity, nationalized."

Asked whether the Front would contest the election as a unit or as two separate parties, both Mr. Msipa and Mr. Ziyambi said that decision had not been made. Most observers agree that if they campaign separately they are likely to split the

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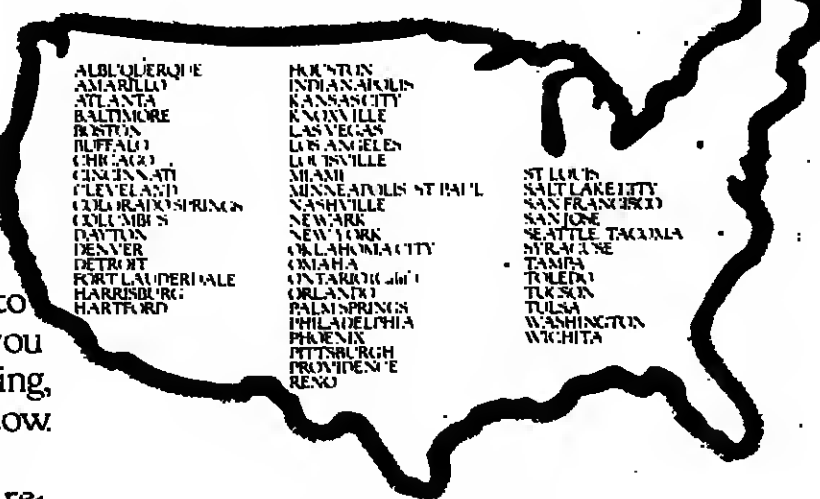
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Posters Shifted to Park

Democracy Wall Becomes Just a Bus Stop in Peking

By James P. Sterba

PEKING, Dec. 9 (NYT) — It was a good place to sell ice cream bars even on days when the air was colder than the ice cream. Canned crab apples far outdid underground magazines, and bicycle parking spaces outdid everything. There were usually many bicycles parked spoke-to-spoke in front of Democracy Wall.

Many people would buy a packet of sunflower seeds to munch as they strolled and read the hand-scribbled wall posters of the aggrieved, the demanding, and the innocently eccentric.

All the posters, bicycles, and sidewalk merchants were gone yesterday. At midnight, Peking city officials sent a small brigade of scrubbers to the wall and by morning the corner of Zidan Street and Chang An Boulevard in central Peking was just another place to catch a bus.

There was one poster left on Democracy Wall. After a year in which other posters had lured readers like flypaper, it read, in effect: No more posters here. The Peking Municipal Revolutionary Committee, acting on orders from the National People's Congress Standing Committee, decreed that it be shut.

But by mid-morning, another wall for posters was in operation. This one, in Yuetan Park, several miles from central Peking in a residential neighborhood, however, was different. A city worker named Zhang explained that each poster author would be required to register his or her poster before pasting it up. He produced a form. It had blanks for the date, the number of the poster, the author's name and pseudonym, sex, age, and workplace, address, the title of the poster, and the number of sheets.

Forms Necessary

The form was necessary, he said, so that poster authors could be held responsible for what they wrote. The Legal Department, he said, would drop by occasionally to make sure no one's poster revealed state secrets, committed libel, or fabricated any facts.

He said wall posters could be put up from 8:30 to 11:30 a.m. and from 2 p.m. to 5 p.m. daily except Mondays, which was the registration officer's day off, and Tuesday and Thursday afternoons, which were reserved for office political study. Like before, he said, petitioners would have to bring their own glue.

The designated wall in Yuetan is

less than half the length of Democracy Wall. But city workers were busy yesterday attaching an overhang to it to protect posters from rain. Unlike the old wall, which thousands of people passed every hour, this one is not visible from the street. Tourists and other foreigners, who occasionally confuse Democracy Wall with the Great Wall north of town, will no longer be able to stumble onto it by accident on walking tours.

The old wall, which blossomed with posters 13 months ago, had become an embarrassment. A few irresponsible persons, Peking officials said, had been using it to create instability. One of them, Wei Jingsheng, an underground magazine editor, was sentenced to 15 years in prison last month for passing state secrets to a foreigner and engaging in counterrevolutionary activity. Besides the government's four modernizations — in agriculture, science, industry, and defense — he had called for a fifth: democracy.

Tower Compound

The new wall separates Yuetan Park, which means Altar to the Moon, from a compound holding the city's main radio transmission tower. Gates to the tower compound open up to the park, and squads of People's Liberation Army soldiers march past the wall in and out of the compound in formation regularly.

Yesterday, as people stood reading the first three registered posters on the new wall, the soldiers could be heard shouting out exercise cadences on the other side in the compound.

Peking's small band of underground magazine sellers and editors — some of whom object to being called dissidents — were not around the new wall. But they said they were glad to have it and would use it for posters. They said they did not mind registering their posters since Public Security Bureau Officers knew who they were and where they lived already.

By moving the place for wall posters, the government has not gone against Article 45 of the 1978 constitution, which guarantees the right to put up the posters. But by relegating them to a neighborhood park, their audiences were restricted.

Meanwhile, the old wall looked clean and naked. Even the shells of the sunflower seeds had been swept away.



Crowd gathers Saturday around new poster area in Peking that replaces Democracy Wall.

Vietnam Tightens Its Control Over Laos

By Keyes Beech

BANGKOK, Dec. 9 — Thanks to a visit by the leader of Mongolia, 230 more Laotians escaped across the Mekong River to Thailand last week.

The refugees said that they had no problem because the Laotian government, dominated by Vietnam, had lifted its standing "shoot-to-kill" order as a courtesy to Jambyn Batmonh, chairman of the Mongolian Council of Ministers, during his four-day visit that ended yesterday.

It was typical of the news coming out of Laos these days. More than 250,000 persons have fled Laos, the smallest of the three Indochinese states, since the Communists won control in 1975. A total of 1,721 left in November.

Preoccupation this year with the plight of Vietnamese boat people and of starving Cambodians has left little space in the press for Laos.

But the suffering in Laos has grown steadily worse this year as Hanoi has tightened its hold on the country.

Vietnamese Colony

Although there have been Vietnamese troops in Laos for at least 20 years, Hanoi made its presence most strongly felt earlier this year when it forced the Laotian government to expel all Chinese.

The drive was accelerated last February after the Chinese-Vietnamese border war. Within the last two weeks, at least a dozen upper echelon Laotian government officials have been arrested for failing

Soviet Vote Announced
MOSCOW, Dec. 9 (UPI) — The election of deputies to the Supreme Soviet (parliament) and to the local soviets of the 15 republics will take place Feb. 24, Soviet newspapers announced today.

to toe Hanoi's line. Refugees, some of them belonging to the educated elite, say that those purged were not so much pro-Chinese as they were anti-Vietnamese.

The process of transforming Laos into a Vietnamese colony is well under way and there is no likelihood that it will be reversed," a refugee official said.

Thousands of Laotians who wanted to stay and cooperate with

China to Renew Insurance Trade At Posts Abroad

PEKING, Dec. 9 (NYT) — China plans to revive its domestic insurance business next year and has already stationed more than 300 agents in more than 100 foreign ports and cities to provide insurance coverage for a variety of trade and transportation deals, the Chinese news agency reported.

Song Guohua, a spokesman for the Chinese People's Insurance Co., was quoted as saying that rates and compensation payments would be adjusted to "international standards," and that overseas agents of the company have been empowered to promptly pay damage claims to insured parties.

Among the types of coverage listed as available were compensatory trade insurance, transportation of foreign goods bound for China for processing, insurance on engineering equipment and projects, insurance to cover the installation of imported equipment and property insurance for joint ventures.

Mr. Song said that domestic insurance coverage on property and transportation of goods would be available next year for the first time since 1967, when service was interrupted by the Cultural Revolution.

the new regime — the Lao People's Democratic Republic — in the hope that it would be Laotian, have given up and are now refugees.

One of the more ominous of the recent developments is that much of the rice grown by Laotian farmers is going to feed Vietnamese garrison forces. The Vietnamese have an estimated 50,000 troops in Laos.

Refugees say that they have seen Vietnamese Army trucks backing up to government storage bins and driving away loaded with rice.

In their impatience to get on with the job of "Vietnamizing" Laos, the Vietnamese have often dropped all pretense that the government of Laos is independent.

In some places, Vietnamese "advisers" function down to district and village level. In one section of the Education Ministry, there are 53 Laotians and 11 Vietnamese staff members.

An Education Ministry official who took a printing order for 41 different textbooks to Hanoi reported that the new Lao texts were translated directly from the Vietnamese (the Vietnamese copied the texts from the French in the 1930s).

Four senior Finance Ministry officials are Vietnamese who do not bother to use Lao aliases. And the government has adopted the same accounting system as that used in Hanoi.

Few Laotians have any direct contact with their Vietnamese masters or the regime that serves them. But they feel the impact. Collectivization of farms and state ownership of all property has forced thousands to leave.

"Everything is communized," said an official who has interviewed hundreds of refugees. "Only chickens and ducks can be bought, sold or killed without prior permission. And dead chickens must be taken off the rolls."

© Los Angeles Times

He Demands Quick Elections

South Korea Releases Dissident Leader

By Henry Scott-Stokes

SEOUL, Dec. 9 (NYT) — South Korean dissident leader Kim Dae Jung was released from house arrest here yesterday and immediately demanded that the government proceed quickly to honor a promise to hold the first democratic elections for president since 1971.

Mr. Kim, 54, who was freed in an amnesty also granted to 68 jailed students and dissidents in prison, said that new elections must be held "and the sooner the better, there is no reason to delay."

The dissident leader, a candidate in the 1971 election who was narrowly defeated by Park Chung Hee, met the public yesterday for the first time since early October.

His comments followed the choice Thursday by the electoral college of career diplomat Choi Kyu Hah, 60, as South Korea's president, succeeding Park, who was assassinated Oct. 26.

Mr. Kim's appeal signifies the start of a major political battle here to decide who shall succeed Mr. Choi as head of state, observers said. The new president said before taking office that he will serve only until the constitution is revised and democratic elections are held.

"If the government tries to delay the process of restoration of democratic government," Mr. Kim warned, "then I fear there will be political and social chaos."

His warning followed statements by the martial law commander, Gen. Chung Seng Hwa, and ruling Democratic Republican Party leader Kim Jong Pil — widely considered the party's future presidential candidate — that it might take up

to two years to revise the constitution and call elections.

Mr. Kim looked well despite incarceration in prison, a prison hospital and then confinement in his home since December, 1978.

Prisoner Release

Meanwhile, dissidents welcomed the release of political prisoners held under the now-revoked emergency decree that Park used to silence his critics and imprison student and religious leaders. The amnesty and other measures were taken by the government to mark the start of Mr. Choi's presidency and to indicate the government's wish to proceed with democratic reforms, officials said.

But many political prisoners were unaffected by the measures, the dissidents warned, and 46 persons held under the emergency decree remained in jail.

Another 31 dissident and religious leaders, including poet Kim Chi Ha, who is in prison for life under an Anti-Communist Law charge, were not affected. Still others are held under a sweeping National Security Law.

In addition, an estimated 200 students and Christians were arrested. But many political prisoners were unaffected by the measures, the dissidents warned, and 46 persons held under the emergency decree remained in jail.

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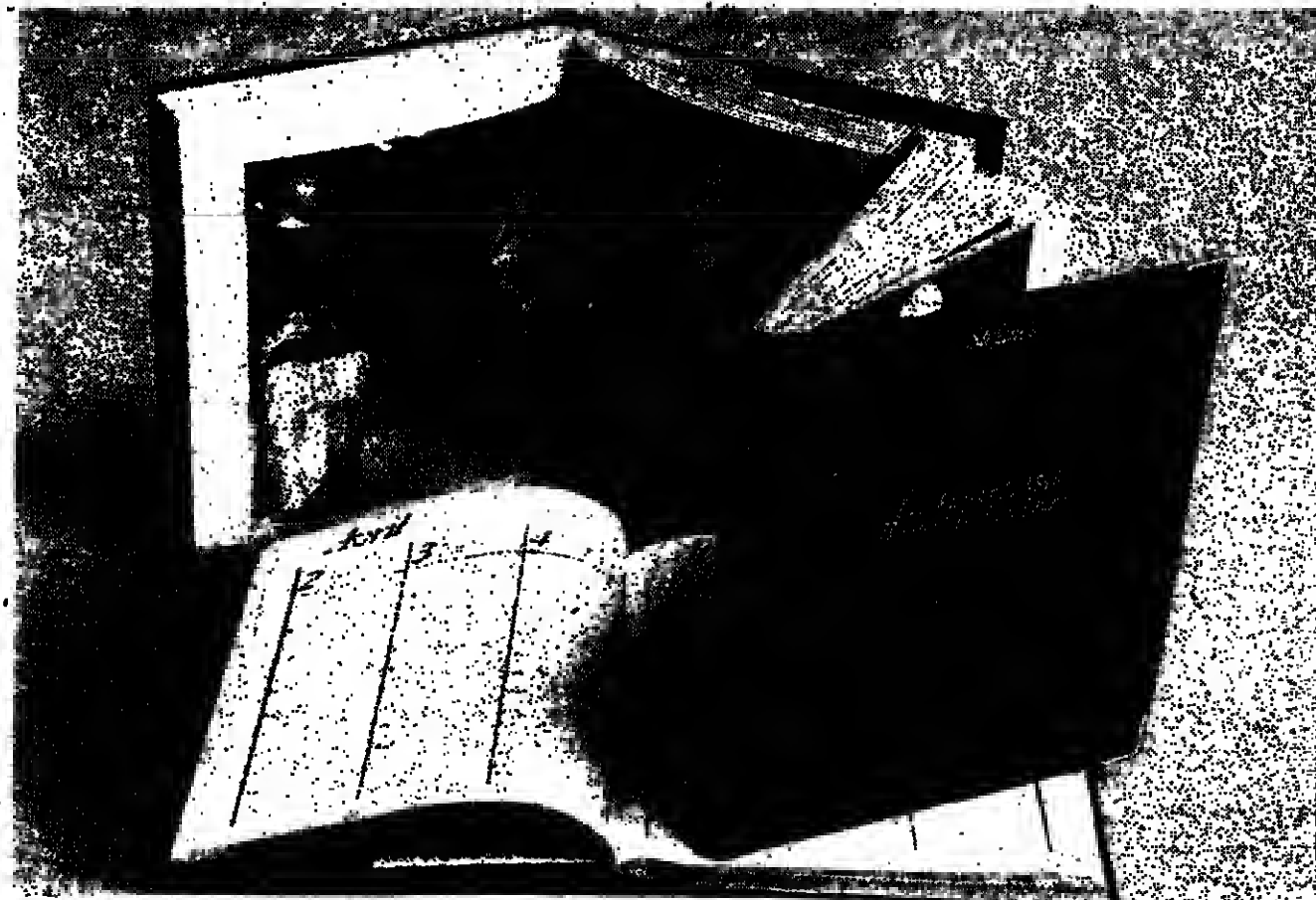
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JANUARY 1980

Response to Intermarriages

Reform Jew Urges Change in Laws on Transmission

By George Vecsey

NEW YORK, Dec. 9 (NYT) — In response to an increase in marriages between Jewish men and non-Jewish women, Rabbi Alexander Schindler, president of the Reform Jewish congregation of the Congregation of Reform Judaism, has urged that Jewishness be passed through either the father or mother.

According to the Halachah, or Jewish laws, only the children of Jewish mothers can be recognized as Jews by birth. In recent years, a number of individuals have suggested that the children of Jewish fathers should be recognized as Jews by birth as well.

Some sociologists believe that two-thirds of these marriages involve a Jewish man and a non-Jewish woman.

"Good Reason"

Mr. Schindler's idea was rejected Friday by Rabbi Bernard Rosenzweig, president of the Rabbinical Council of America, the Orthodox association. He said in a telephone interview, "This proposal just adds one more division in the Jewish world. There is a good reason for the law. In every birth you always know who the mother is. It has never been questioned. Why should they question it now?"

The question has been raised in recent years at conventions of the Rabbinical Assembly, the Conservative branch of Judaism. However, members of the legal committee of the Conservative group did not see the need to change the law, said Rabbi Wolfe Kelman, executive vice president of the Rabbinical Assembly.

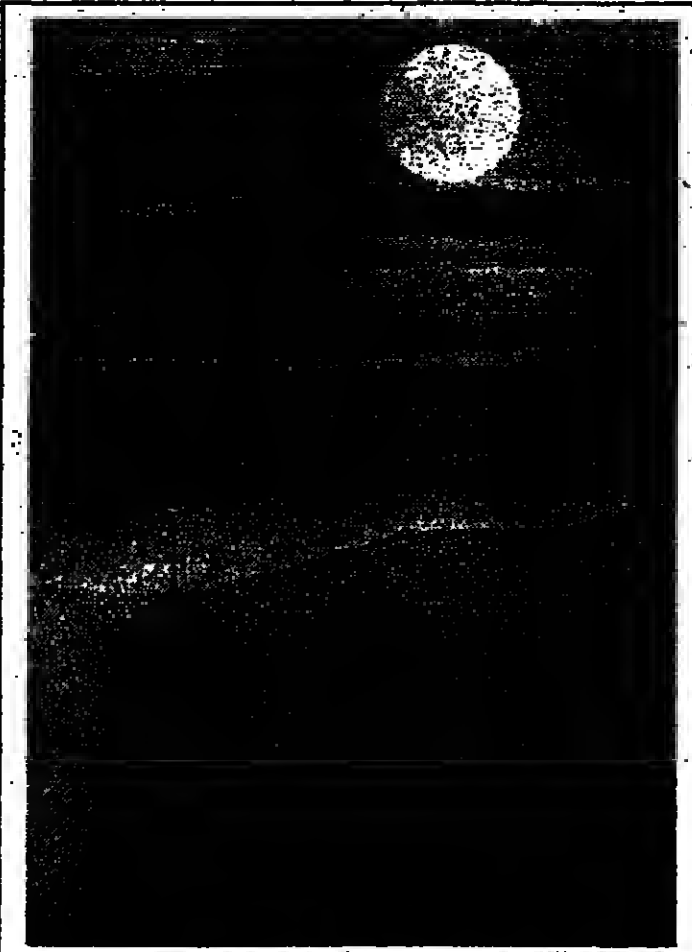
The thinking behind the Reform argument was put forward Friday by Dr. Eugene Mihaly, a dean at Hebrew Union College in Cincinnati.

"According to biblical tradition, the lineage followed the father," Mr. Mihaly said by telephone from Toronto. "If your father was of the priestly group, you were, too. But that began to change 2,000 years ago when rabbis were concerned with reducing illegitimacy. To adhere to that ruling now would be absolutist, fundamentalist, and not biblical at all."

Mr. Schindler made his proposal almost a year after he suggested that Judaism seek converts among non-Jewish Americans with no religious affiliation. The proposal was criticized by many leaders of the Reform, Conservative and Orthodox ranks, and the Reform group authorized a study of converts that was released at the convention Friday.

The study, by Dr. Steven Huberman of Boston, interviewed 570 converts. It found that two-thirds were women, most under 30, and that the overwhelming majority of people who convert do so because of marriage.

The study also found that 86 percent of the converts believed that it was important to give their children a serious Jewish education. It indicated that parents of converts resented the conversion at first but ultimately became reconciled, especially if the marriage proved successful. One problem for many converts was the feeling that they were on permanent probation as Jews.



WINTERSSET — Church steeple in the village of Maergen, West Germany, are silhouetted by the late afternoon sun. Maergen is in the Black Forest, near Freiburg.

Dr. Cecelia Payne-Gaposhkin Dies; Was a Leading Astronomer in U.S.

NEW YORK, Dec. 9 (NYT) — Dr. Cecelia Payne-Gaposhkin, 79, one of the foremost women in astronomy, died Thursday in Cambridge, Mass.

She was the first woman to receive a tenured professorship at Harvard and headed the university's astronomy department from 1956 to 1960.

She and her husband, Sergei Gaposhkin, made a special study of novae, a type of variable star that suddenly increases in brilliance by thousands of times its original intensity and then decreases in brightness over a period of months.

In the 1930s, Dr. Payne-Gaposhkin and her husband made millions of observations of several thousand variable stars and their findings became standard source material for researchers.

After studying at Cambridge, England, under Edward Milne, she came to Harvard in 1923 to work for her doctorate, seeking the significance of spectral lines in the light from various types of stars. She became an American citizen in 1931.

Eddie Gottlieb

NEW YORK, Dec. 9 (NYT) — Eddie Gottlieb, 81, one of the founders of the National Basketball Association and a member of the Basketball Hall of Fame, died Friday in Philadelphia.

Mr. Gottlieb was the owner, general manager and coach of the Philadelphia Warriors when the team won the league title in 1947. He purchased the franchise with \$25,000 and 15 years later it was sold for \$850,000 and moved to San Francisco. In 1972, Mr. Gottlieb was inducted into the Basketball Hall of Fame.

Quake Hits Sicilian Port

TRAPANI, Sicily, Dec. 9 (UPI) — A sharp earthquake centered in the Mediterranean and measuring 5.4 on the Richter scale shook this Sicilian port yesterday, causing panic among the population but no apparent damage, officials said.

Brazil Imposes Stiff Reforms to Stem Economic Slide

By Larry Rohter

RIO DE JANEIRO, Dec. 9 (WP) — President Jose Figueredo of Brazil has announced sweeping economic reforms which he promised would redirect the course of the economy and enable Brazil to maintain economic growth in the face of its rapidly deteriorating economy.

The most dramatic of the measures was an immediate 30-percent devaluation of the cruzeiro against the dollar.

The measures were seen by businessmen and economic analysts here as likely to lead to a further increase in Brazil's staggering foreign debt — estimated at \$50 billion — and sound the death knell for the military government's "economic miracle," which since 1964 has transformed Brazil into the tenth largest economy in the world.

Biggest Debt to U.S.

Gen. Figueredo said Friday night in a televised address that his actions would end artificial prices, bureaucracy and other distortions that have appeared in the Brazilian economy under the military. He argued that the measures had been made necessary by recession in the industrialized world, three years of drought in Brazil, rising oil prices and the skyrocketing foreign debt.

Most of Brazil's foreign debt is owed to U.S. banks, and Brazil has the largest outstanding debt to the United States of any country. It also spends about \$7 billion a year for oil imports, a figure that is expected to rise significantly.

The Brazilian leader also ended official export subsidies to Brazilian industry, eased restrictions on overseas borrowing, lifted the 100-percent prior deposit on imports and abolished legislation that had been the cornerstone of Brazil's ambitious import-substitution program.

Gen. Figueredo also said he would impose a tax to limit the export of basic foodstuffs. He said that their scarcity in the domestic market contributed to an annual rate of inflation that had passed 65 percent by November. Brazil is one of the world's largest exporters of agricultural products.

The changes had been signaled by the government late Thursday, when the suspension of currency transactions was ordered for the first time in 37 years. That action was taken in response to a wave of financial speculation that had driven the black market value of the dollar to 35 percent above the official rate and, in the words of a Sao Paulo newspaper, had "turned all of Brazil into a giant casino."

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American Exchange Options

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

Economic News From U.S. Buoy Eurodollar Market

(Continued from Page 9)

aring pressure and demanding a return. But small investors cut out of this and got turned out of EIB paper as they saw bonds at two or more points below price.

as it is the largest and most porous borrower in the market, it has come to realize that its aim must be to price its paper to attract investors.

As a reasonable price is established, commissions in the banks will rise. While many banks fight to keep commissions, the fact that now banks get to keep them in the past—when often the commission had to be given before buyers could be of the half-point selling concession (which is usually percent) syndicate members permitted to give a quarter-point concession to other banks usually gets translated into additional yield, raising five-year yield to 11.82 percent, held up relatively well in secondary market, quoted at 9 1/2.

General Motors Acceptance Corp. is the largest financing arm of any U.S. auto firm, marketed a million five-year notes at a coupon of 11 percent. A group of managers led by Stanley underwrote the amount. Commissions, including concession of 1/4 percent, reportedly total 1 1/2 percent.

1 Set to Offer bags in 1982

WASHINGTON, Dec. 9 (UPI)—General Motors Corp., claiming an ending breakthrough in the debt of the controversial air-safety act that will offer the option in its large 1982 model.

Months ago, the company possible injury to small children, which have been subject of heated discussion on Hill, where opponents are to overturn a law that will impose safety restraints in 1982.

GM spokesman confirmed that company officials formed the government that bags would be available in 1982, barring unforeseen developments. "Evidently, we have out the child-restraint problem," he said.

have assured GMAC of the terms rather than fix the coupon and price the issue in light of actual demand — is that the terms are widely regarded as being just below where the market actually is. In fact, if the late week improvement continues this week, GMAC's terms may look less out of line.

But with rival Chemical Bank International Ltd. bidding to bring GMAC to market (Chemical was the lead manager on GMAC's first U.S. dollar Eurobond last June), Morgan was forced into very competitive bidding and GMAC was able to benefit.

"Morgan was caught in a competitive situation," said one competitor, "and was forced to cut terms down to the bone. Whether they've dug into the bone remains to be seen."

For their part, managers point out that prime U.S. corporate issues have a scarcity value in this market. One negative most analysts focused on was the fact that the per is non-callable for only three years and then at a narrow premium of 100/4.

Export Finance of Norway is raising \$50 million in seven-year notes bearing a coupon of 11 1/4 percent. Pricing is expected to be at a slight discount of 93 1/2. Norway is a triple-A credit, so the terms stand in

striking difference to those offered by GMAC. Even allowing for a scarcity premium on U.S. corporate issues, the terms appear to reflect a fundamental difference on how managers Credit Suisse First Boston and Morgan Stanley view the market.

The Norway issue has an average life of 4 1/2 years and commissions total 2 percent.

Reflecting the current preference of investors for fixed-rate paper, Midland International Financial Services, guaranteed by Midland Bank, was able to increase the size of its 10-year issue to \$125 million from the \$100 million initially envisaged. The issue starts out as a floating-rate note, paying a quarter point over the interbank rate and guaranteeing a minimum coupon of 5 percent. However, between 1980 and 1983 investors have the option, on interest payment dates of June 30 and Dec. 31, to convert into fixed-rate securities bearing a coupon of 10 percent.

Demand was reportedly very heavy and the closing date has been advanced two days to Tuesday.

Allied Irish finally came to market with its long-awaited \$60 million of eight-year floating rate notes. The coupon will be set at a quarter-point over interbank rate.

Syndicated Bank Loans

(Continued from Page 9)

negative response. Now, it is arranging to borrow \$100 million and 100 million Deutsche marks each for eight years and each paying 3/4 percent over interbank rate.

On the other hand, Italy has extended the maturity on its operations. SIP, a state agency guaranteed by STET, is borrowing \$50 million for 12 years, paying a half-point margin for the first six years and 3/4 percent for the final six. This is the first Italian borrowing this year to exceed 10 years, and the only better margin to date has been a half-point for seven years — offered on the \$300-million for Ferrovia that is still in syndication.

Enador is quite active, despite the government crisis stemming from last week's resignation of the Cabinet. Inceel, the state electricity utility guaranteed by the government, is raising \$30 million for 10 years under the leadership of Bank of America. The margin is 3/4 percent over Libor for the first three years and 7/8 percent thereafter.

The Republic itself, under the aegis of Lloyds Bank International, is raising \$50 million for 10 years

at 3/4 percent over Libor throughout. Other transactions are reportedly under negotiation.

From Argentina, Altagatas, a large private textile firm, is raising \$60 million with Morgan Guaranty lead manager. The margin on the seven-year loan is set at one point over Libor.

Morgan is also leading another of Venezuela's one-year transactions. The latest operation is \$200 million for CMA at the standard 3/4 percent over Libor. The market apparently is quite receptive to one-year paper, with \$155 million of this transaction syndicated.

From Peru, the city of Quito is raising \$50 million for 10 years, offering 3/4 percent over Libor through Loeb Rhoades is lead manager.

While bankers await the imminent announcement of who won the mandate for the \$350 million, 10-year loan sought by Colombia, Sae Financiere Europeenne is managing a \$48-million, 10-year loan for ISA, a public utility that does not carry the government guarantee. The margin is 3/4 percent throughout.

and guaranteed never to be set below 5 1/2 percent.

With attention now focused on the anticipated decline in dollar interest rates, floaters offering only minimal protection against the downturn have not fared well. The just completed floaters for Barclays and Union de Banques Arabes et Francaises are quoted at discounts of 2 to 3 points.

West German bankers report resistance is building to any further decline in coupons. "The bloom is off the rose," says one banker. Ten-year domestic promissory notes sold at a high of 8.45 percent last month and which subsequently tumbled to a yield of just under 8 percent, are now yielding just over 8 percent and rising.

"To expect lower rates in the near future is over optimistic," says one analyst.

Indeed, short-term rates were up sharply during the week — a function of tomorrow's corporate tax payment date as well as the normal demand for cash for year-end book-keeping transactions.

In addition, while bankers question the staying power of the dollar's current firming trend, the fact is that the dollar is gaining and there is less speculative demand for DM-denominated paper.

The terms on the 250-million DM, 10-year issue for the World Bank (technically a foreign issue in the domestic market rather than a Eurobond) is being offered with a coupon of 7 1/2 percent and pricing is expected to be par. However, many bankers consider the terms unrealistic.

Among the new Eurobonds, Light Services, Brazil's state-owned electric utility, is offering 125 million DM of 10-year bonds carrying a coupon of 8 1/2 percent.

Finalist is seeking 150 million DM for seven years, offering a coupon of 8 percent.

The city of Goteborg is issuing 11 million Units of Account. The 10-year bonds carry a coupon of 9 1/2 percent.

Week Ended Dec. 5 (U.S. Dollars)

International institutions	11.53%
Industrial, long term	11.48%
Industrial, medium term	11.88%
Canadian dollars, medium term	12.86%
French franc, long term	12.54%
Unit of acc. long term	9.15%
Calculated by Luxembourg Stock Exchange	
Market Turnover Week Ended Dec. 7 (Millions of U.S. Dollars)	
Cedel	1,519.2
Eurod.	2,515.3
	1,117.3
	2,133.8
	381.5

—CARL GEWIRTZ



Bobby Bonds

Camel, Parlov Battle to Draw

SPLIT, Yugoslavia, Dec. 9 (UPI)—Marvin Camel of the United States fought to a draw with Mate Parlov of Yugoslavia here yesterday in the first title bout of the World Boxing Council's new cruiserweight category. The title in the 175-to-190-pound class remains vacant.

Parlov, 31, took the initiative in the first three rounds, maintaining control over the 27-year-old Camel. But Camel picked up steam from the fourth round on and pummeled Parlov, especially in the 13th, when the Yugoslav began to tire visibly.

The decision stunned the U.S. fighter. "It's highway robbery," Camel said. "I expect a return match in the United States where judging would be fair."

The referee, Raymond Baldeyron, awarded Camel 147 points and Parlov 142. But referee Sid Nathan awarded both contenders 143 points and referee James Brimmer gave both boxers 144.

Cuevas Wins

LOS ANGELES, Dec. 9 (UPI)—Pipino Cuevas retained his World Boxing Association welterweight crown here last night with a 10th-round knockout of Angel Espada, the WBA's No. 1 contender.

It was the 10th title defense for Cuevas, who won the title with a victory over Espada four years ago. Cuevas, 146, of Mexico City, improved his record to 31-5. Espada, 144 1/2, of San Juan, Puerto Rico, fell to 40-10-3.

Bonds Upset After Trade to Cardinals

CLEVELAND, Dec. 9 (UPI)—Bobby Bonds said yesterday that he was disappointed and hurt to learn he had been traded by the Cleveland Indians to the St. Louis Cardinals for outfielder Jerry Mumphrey and pitcher John Denny.

It was the sixth trade in six seasons for Bonds, who hit .275 with 25 homers, 83 runs batted in and 34 stolen bases last season.

"I'm really disappointed," Bonds said by telephone from his home in California. "I wanted to stay in Cleveland. This whole thing hurts a hell of a lot."

The 33-year-old outfielder had been unable to reach a contract agreement with the Indians and exercised his right to demand a trade to put pressure on the Indians' president, Gabe Paul.

"I have mixed emotions about all this," Paul said in Toronto where the winter baseball meetings ended Friday. "I hate to see a talent of this nature go off the club. We need pitching badly, though."

Denny, 27, a right-hander, was 8-11 with a 4.45 earned run average last year. His five-year major league mark is 51-46. Mumphrey, also 27, batted .295 with 3 homers and 32 RBI last season.

In the slowest baseball trading season in years, it fell to the Texas Rangers and the Atlanta Braves to come up with a bizarre deal that seemed to symbolize the week and perhaps the current state of affairs in baseball.

Late Friday, the Braves swung a five-player deal that included a player to be named later. The Braves wanted to trade Jeff Burroughs to the Rangers along with Adrian Devine, and infielder Pepe Frias.

The Rangers would give up pitcher Doyle Alexander and infielder Larry Lundy.

But Burroughs invoked a no-trade clause. As the clock approached the midnight trading deadline the teams decided to confirm the five-player deal with an unusual rider attached. The rider stipulated that should the Rangers not receive a player to be named later, they would pay the Braves \$50,000.

The Braves were indicating the deal was more valuable if they got rid of Burroughs and his \$350,000 contract. With a \$50,000 incentive, the Rangers will continue their attempts to sign Burroughs.

The Rangers and Phillies also

huddled on an eight-player trade, involving Sparky Lyle, that was scrapped. "When you get into the endless red tape in players' contracts, the no-trade clauses, all the special provisions," said the Rangers' general manager, Ed Robinson, "you are facing a situation that seems insurmountable."

"It's a bit scary," said Sparky Anderson, manager of the Detroit Tigers. "It's getting so you have to have 15 lawyers just to strike a deal. It also is to the point that some clubs don't even have a player they

can trade any more. The Dodgers have 19 players with no-trade clauses. I bet some clubs don't even know how many players they have who can't be traded."

NBA Standings

EASTERN CONFERENCE

Atlantic Division

Philadelphia 11 10 2 117 81

Boston 11 10 2 117 81

New York 11 10 2 117 81

Washington 11 10 2 117 81

New Jersey 11 10 2 117 81

Central Division

W.L. Pct. Df

Atlanta 11 10 2 117 81

San Antonio 11 10 2 117 81

Houston 11 10 2 117 81

Cleveland 11 10 2 117 81

Detroit 11 10 2 117 81

Western Conference

Midwest Division

W.L. Pct. Df

Minneapolis 11 10 2 117 81

Denver 11 10 2 117 81

Chicago 11 10 2 117 81

Utah 11 10 2 117 81

Pacific Division

W.L. Pct. Df

Seattle 11 10 2 117 81

Los Angeles 11 10 2 117 81

Phoenix 11 10 2 117 81

Portland 11 10 2 117 81

San Diego 11 10 2 117 81

Golden State 11 10 2 117 81

Frederick's Results

Chicago 95, Portland 93 (Thane 20, Sobers 20)

R. Brewer 20, Owens 14.

San Diego 114, Los Angeles 108 (Frie 42, Mohr 28; Johnson 21, Abdul-Jabbar 21)

Houston 134, Detroit 109 (Barry 28, Malone 18, Murphy 18; Lander 17, Lee 17, McIlwain 17, Lanier 17)

San Antonio 117, Milwaukee 105 (Gervin 20, Kanan 20, Johnson 20, Wilkins 20)

Boston 108, Phoenix 92 (Owen 21, Bird 20; Davis 27, Robinson 20, Westbrook 20)

Seattle's Results

Washington 14, Atlanta 95 (Gervin 19, Unold 17; Drew 22, Roundfield 18)

Philadelphia 117, Phoenix 94 (Ervin 21, Jones 17; Robinson 19, Davis 19)

Cleveland 114, Boston 108 (Russell 27, R. Smith 23; Bird 20, Archibald 14)

Kansas City 145, New York 129 (Birdson 24, Ford 20; McHester 24, Cole 19)

Indiana 103, Detroit 102 (M. Johnson 24, Davis 14; Lane 23, Lander 18)

San Antonio 124, Houston 129 (Gervin 37, O'berlin 20; Malone 24, Murphy 27)

Utah 119, Denver 108 (Dantley 37, Furrow 14; Reed 28, Thompson 22)

Seattle 125, Golden State 100 (Williams 28, D. Johnson 19; Shelton 19; Parish 19, Short 19)

St. Louis, Dec. 9 (UPI)—Barclay Flager, the coach of the St. Louis Blues of the National Hockey League, resigned yesterday. Flager, 38, took the head coaching job Feb. 16, 1978.

NHL Standings

CAMPBELL CONFERENCE

Pacific Division

W.L. T Pct. GF GA

Philadelphia 11 10 2 117 81

Boston 11 10 2 117 81

New York 11 10 2 117 81

Washington 11 10 2 117 81

New Jersey 11 10 2 117 81

Central Division

W.L. T Pct. GF GA

Atlanta 11 10 2 117 81

San Antonio 11 10 2 117 81

Houston 11 10 2 117 81

Cleveland 11 10 2 117 81

Detroit 11 10 2 117 81

Western Conference

Midwest Division

W.L. T Pct. GF GA

Minneapolis 11 10 2 117 81

Denver 11 10 2 117 81

Chicago 11 10 2 117 81

Utah 11 10 2 117 81

Pacific Division

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Transactions

National Basketball Association

HOUSTON ROCKETS—Acquired Rudy Tomjanovich, forward, from Portland Trail Blazers, on an injured list.

FOOTBALL

National Football League

NEW YORK GIANTS—Placed Ken Johnson, fullback, on the injured reserve list. Signed George Frank, running back.

HOCKEY

National Hockey League

MINNESOTA NORTH STARS—Signed Glen Sauerley, center, to a multi-year contract.

NEW YORK ISLANDERS—Traded Alvin Karpavicius to the Washington Capitals for Gord Lane, defenseman, and future considerations. Assigned Steve Tambellini, center, to the Canada Selects.

CNT Caisse Nationale des Télécommunications

US Dollars 100,000,000

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| Banque de Paris et des Pays-Bas | Caisse des Dépôts et Consignations |
| Citicorp International Group | Kreditbank International Group |
| Merrill Lynch International & Co. | Mitsubishi Bank (Europe) S.A. |

Société Générale

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A.E. Ames & Co. Limited • Arab Bank Investment Company Limited • Banco Commerciale Italiano • Banco del Comercio • Banco Ambrosiano
Banco de la Nación Argentina • Bank für Sozialwirtschaft Aktiengesellschaft • Bank für Sozialwirtschaft Aktiengesellschaft • Bank für Sozialwirtschaft Aktiengesellschaft
Bank of Beirut Ltd. • Bank Leu International Ltd. • Bank Leu (S.K.) Limited • Bank Mees & Hope N.V. • The Bank of Tokyo (Mitsubishi) N.V.
Banque Commerciale du Luxembourg S.A. • Banque Européenne de Tokyo • Banque Européenne de Commerce Extérieur
Banque Française de Crédit International Limited • Banque Harvet • Banque de l'Indochine et de l'Extrême-Orient • Banque Internationale de Luxembourg S.A.
Banque Louis-Dreyfus • Banque de Neuchâtel, Schindler & Co. • Banque de Paris et des Pays-Bas pour le Grand-Duché de Luxembourg
Banque Rothschild • Banque de l'Union Européenne • Banque Varnes et Commerciale de Paris • Banque Worms
Barclays Bank International Limited • Barings Brothers & Co. Limited • Bankgesellschaft Berlin AG • Bankgesellschaft Berlin AG
Bayerische Landesbank Girozentrale • Bank Stearns & Co. • Bankgesellschaft Berlin AG • Bankgesellschaft Berlin AG
Bayerische Landesbank Girozentrale • Bank Stearns & Co. • Bankgesellschaft Berlin AG • Bankgesellschaft Berlin AG
Caisse Centrale des Banques de Paris • Caisse d'Ep

the 1990s, the number of people in the United States who are 65 years of age or older is projected to increase from 20 million to 30 million, and the number of people 75 years of age or older is projected to increase from 10 million to 15 million (U.S. Census Bureau, 1997).

Near Playoff Roles

Redskins Defeat Bengals, Bears Edge the Packers

WASHINGTON, Dec. 9 (AP) — The Redskins defeated the Cincinnati Bengals, 28-14, in National Football League action.

The Redskins' victory established a three-game winning streak for the team in the National Football League East Division with one game remaining in the season. The Redskins defeated the Bengals, 28-14, in National Football League action.

Cowboys Top Eagles at Dorsett Is Hurt

By Dave Brady

DELPHIA, Dec. 9 (AP) — The Dallas Cowboys clinched a spot in the National Football League playoffs yesterday, but have lost Tony Dorsett in the process.

The Cowboys defeated the Philadelphia Eagles, 24-17, and secured a chance to nail down a divisional title. Both teams will be in the playoffs.

The Cowboys broke a 10-10 tie with the Eagles in the third quarter, and Dorsett was injured in the process.

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The winning touchdown came with 42 seconds remaining in the first half as Theismann, again under a heavy rush, found Harmon, who hauled his way for the 23-yard score, breaking four tackles on the way.

Bears 15, Packers 14

At Green Bay, Wis., linebacker Tom Hicks scored on a 66-yard interception return with 11:10 to play and Bob Thomas kicked three field goals, leading Chicago to a 15-14 victory over Green Bay as the Bears kept alive their playoff hopes.

The Packers, leading 7-6, had first down at the Bear 30 when quarterback Lynn Dickey, rushed by Mike Hartenstein, lobbed a screen pass intended for Ricky Patton. The 235-pound Hicks intercepted and raced down the right sideline to score behind a blocking convoy led by Doug Plank and Gary Campbell.

The extra-point attempt was blocked, but Green Bay's Mike McCoy fumbled the ensuing kickoff and Wendford Gaines recovered for the Bears at the Pack 31, setting up a 44-yard field goal by Thomas and a 15-7 lead with 9:25 to play.

Thomas' third field goal was the difference as the Packers struck back to score on a 22-yard pass from Dickey to Paul Coffman with 1:33 to play.

Walter Payton rushed 25 times for 115 yards for the Bears, now 9-6, who safeguarded their sixth victory in their last seven games by recovering three Green Bay fumbles and intercepting two passes.

Dolphins 28, Lions 10

At Pontiac, Mich., the Miami Dolphins, behind the passing of quarterback Bob Griese, scored both times they had the ball in the first quarter and went on to a 28-10 victory over the Detroit Lions to keep their playoff hopes alive.

Griese, getting his first start after being benched for Don Stock, weeks ago, was perfect in the first quarter, completing all six pass attempts for 101 yards and two touchdowns.

On the Dolphins' first possession, Griese drove the team 72 yards in seven plays. He capped the drive by passing 25 yards to Nat Moore at the goal line, and the swift wide receiver left Detroit's Ken Fantetti and Luther Bradley sprawling as he stepped into the end zone.

The victory left Miami at 10-5 in the AFC East. Detroit dropped to 2-13.

Rams 34, Falcons 13

At Atlanta, Wendell Tyler scored a touchdown and set up a field goal with a 60-yard run and Jim Youngblood returned an interception 34 yards for another score as the Los Angeles Rams routed the Atlanta Falcons, 34-13, and clinched their seventh successive division title.

The Rams, winning their fourth consecutive game to stand 9-6 for the season, registered a 28-point outburst in the second quarter, including three touchdowns in less than five minutes.

Dorsett carried the ball 9 times for 36 yards before leaving the game in the middle of the second quarter.

The Cowboys broke a 10-10 tie with the Eagles in the third quarter, and Dorsett was injured in the process.

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Running back Jim Jensen of the Denver Broncos (white jersey) and defensive back Keith Butler of the Seattle Seahawks sail into the end zone together for a Denver touchdown.

Wenzel First in Women's Race

LIMONE PIEMONTE, Italy, Dec. 9 (UPI) — Hanni Wenzel of Liechtenstein mastered a fast, icy track and swept to an impressive victory in the second women's World Cup giant slalom of the season here yesterday, finishing more than a second ahead of Erika Hess of Switzerland.

The 23-year-old Wenzel, fifth in the opening giant slalom at Val d'Isere on Thursday, posted the fastest times for both runs on the 1,500-yard-long course with a vertical drop of about 350 yards.

On the first run, Wenzel clocked 1 minute 10 seconds and 65 hundredths of a second through the 46 gates to lead Hess by 98 hundredths of a second. Wenzel negotiated the second run, through 48 gates, in 1:12.54 for a combined time of 2:22.19.

Hess, third at Val d'Isere, had an aggregate of 2:24.42. Fabienne Serrat of France finished third with 2:25.14, followed by Regina Sackl of Austria, Fernande Pailon of France and Claudia Giordani of Italy.

Marie-Theres Nadig, the World

Cup leader, did not complete the first run. She was 73 hundredths of a second back at the intermediate point and missed a gate when trying to attack the second half of the course.

Azemprie Moser-Proell of Austria, the World Cup defending champion, was never in contention after placing 10th in the first run. She finished ninth.

Wenzel, whose victory raised her World Cup points to 66, or 9 points behind Nadig, said, "I didn't push too hard on the second run. I had to safeguard my first place. I didn't want to risk anything."

No member of the U.S. team made the top 10. Christine Cooper was best, sharing 16th place, while Viki Fleckenstein was 18th, Abbi

Fisher 29th, Heidi Preuss 36th and Beth Flanders 41st.

World Cup Standings
1. Hanni Wenzel, Liechtenstein, 2:22.19
2. Erika Hess, Switzerland, 2:24.42
3. Fabienne Serrat, France, 2:25.14
4. Regina Sackl, Austria, 2:25.72
5. Fernande Pailon, France, 2:25.72
6. Claudia Giordani, Italy, 2:25.74
7. Irene Ederle, West Germany, 2:25.97
8. Piero Mocini, Italy, 2:26.09
9. Azemprie Moser-Proell, Austria, 2:26.40
10. Regina Moser-Proell, West Germany, 2:27.10

World Cup Standings
1. Marie-Theres Nadig, Switzerland, 75 points
2. Hanni Wenzel, 66
3. Christine Cooper, 41
4. Azemprie Moser-Proell, 42
5. Erika Hess, 36
6. Fernande Pailon, 34
7. Irene Ederle, 32
8. Piero Mocini, 29
9. Heidi Preuss, U.S., 18
10. Louise Gossard, Canada, 16

Spain Reaches Soccer Finals

LIMASSOL, Cyprus, Dec. 9 (Reuters) — Spain became the sixth country to qualify for the finals of the European soccer championship when it beat Cyprus, 3-1, in the final Group Three match here today.

The victory gave Spain nine points from six games and ended Yugoslavia's hopes of making the finals in July next year. Yugoslavia finished second in the group with eight points.

Spain went ahead in the fifth minute through Villar and this goal gave the Spaniards the boost they needed to defeat the Cypriots on defense.

Cyprus, without its top striker, Sotiris Kaiafas, who had been taken to a hospital with stomach trouble, held out until the 43rd minute when Santillana scored.

Cyprus tried hard to get back into the game in the second half but too often relied on individual skills rather than constructive teamwork.

As the half wore on the Spaniards concentrated more on defense but Pivovos scored a surprise goal for Cyprus in the 70th minute. This prompted Spain to push forward again and Santillana scored the goal in the final with a goal a minute before the end.

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Lake Placid — A Perfect Birthday Gift

VAL D'ISERE, France (IHT) — Zoe Haas, a downhill racer for the Swiss women's ski team, is hoping for the perfect present for her 18th birthday next month, a trip to the Winter Olympic Games at Lake Placid, N.Y.

In her case, as her friends tease her, she has two chances: If the Swiss team does not select her, perhaps the Canadian team will. Haas was born in Calgary, Canada, and lived until the age of 5 in Lake Louise, Alberta, where she began to ski at the age of 1½.

"I hold a Swiss passport," she said in a chat here, "but I am told I am also eligible for Canadian citizenship. The Canadian team has never talked to me about skiing for them, so it is only a joke really, but I want very much to go to the games so afterward I can have a chance to see where I was born."

Family of Athletes

Her father, Franz, was in Calgary in 1962 as a ski instructor from Switzerland and her mother, Paula, was a swimming instructor from Wales. The family, including Haas' brother Gregory, 16, now lives in Engelberg, Switzerland, near Lucerne.

In addition to the French and German that most Swiss speak, Haas converses in fluent, slightly accented English. "We speak English at home," she explained. "It is the major language in our family."

She also studies English in high school, where she is at least two years from graduation.

"As long as I ski for the World Cup team, I don't have much time to study," she said, "so perhaps it will even be three years before I graduate."

This is her third season with the Swiss team. In her first season, in 1977, she competed in the traditional opening races here and then raced in Europa Cup competition the rest of the year. Last year she remained with the team on the World Cup circuit all season, finishing 49th overall. Her best finish was a seventh place in the race at Lake Placid, which raises her hopes.

Selection Next Month

"Our team officials will name the four downhill contestants near my birthday, Jan. 24," she said. "There are six of us competing for the four places, so it won't be easy for me to make the team, but I am hopeful."

Although she skied an undistinguished downhill here, finishing 32d, she was seeded in the first 15 starters. "I gained my seeding by the seventh place at Lake Placid last spring. Maybe our team officials will remember that I did well on the course there."

She described the Lake Placid run as "difficult on the top, especially when it's icy, but on the bottom it's just gliding."

"The Olympic Games would be a thrill," she said, "but for me, I really want to see Canada. My parents still have friends there, people they write to, people who visit us when they come to Europe. It would be a homecoming for me."

—SAMUEL ABT

Kim Triumphs, Comaneci Has Surgery

By Thomas Boswell

FORT WORTH, Texas, Dec. 9 (UPI) — On the same day that Nadia Comaneci underwent surgery in a Texas hospital, Nelly Kim of the Soviet Union captured the top prize in women's gymnastics: the world all-around championship.

For Kim, who took silver to Comaneci's gold at the 1976 Olympics, it was a night of subdued exultation as she scored consistent 9.85s in all four of her routines to win by a safe margin of 78.65 to 78.35 over Maxi Gnauck of East Germany.

"My exercises were a bit cautious because I could not run the risk of losing the gold medal for my country," said the 22-year-old Kim, a half-Russian, half-Korean athlete. "I was not performing only for myself."

Long Operation

Had Comaneci been here, Kim's consistently high marks would probably not have won the Russian her first world all-around gold. But the Romanian queen of gymnasts was resting in Fort Worth's All Saints Episcopal Hospital after a 75-minute operation to drain an infection on her left hand that had swollen her wrist to twice its normal size.

The championships ended on a quiet night in Tarrant County Convention Center as the near-capacity crowd of 10,000 — which had bought its tickets far in advance in hopes of seeing Comaneci — had to settle for watching the dominance of Eastern European women while U.S. females floundered again.

Melita Ruhn of Romania snatched the bronze medal in the

evening's final minutes when her solid 9.8 performance on the balance beam gave her 78.325 and nudged her past Maria Filatova of Russia. Filatova had only herself to blame since she fell off the uneven bars while doing a relatively simple exercise.

Kim's victory could not have been more atypical of the competition as a whole. At 22, the 5-foot-2 Kim was not only the oldest competitor, but at 104 perfectly proportioned pounds she had more than twice the heft of some of her rivals.

While many of the Eastern European teenagers looked pinched, dour and perhaps chemically arrested in their development, Kim was vigorous, powerful and bursting with genuine smiles.

"I was because of a severe case of nerves," she said through an interpreter. "Mine were better. I was sorry to hear about Nadia's misfortune. Had she been healthy, I would love to have seen how it would have come out."

Performing the identical routines he displayed in the first round of optional events, Ditiatin received the identical score, 59.20, for his precise showing.

"He's like a machine," said Bart Conner, an American, who finished fifth.

Kurt Thomas, another American, began the second round of optional events with a tenth of a point behind Ditiatin but the Russian said he never concerned himself with his rival's scores.

"During competition I don't follow the scores of the other competitors," he said. "Our coaches worry about the scores."

Ditiatin earned the honor of the world's best gymnast, succeeding Nikolai Andrianov of the Soviet Union, with a 118.250 total for three nights of competition. Thomas was second with 117.975, followed by Alexandre Trachev of the Soviet Union.

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3 Yugoslavs in Top 6

Stenmark Fastest In Giant Slalom

By Samuel Abt

VAL D'ISERE, France, Dec. 9 (IHT) — Proclaiming himself only 80 to 90 percent fit, Ingemar Stenmark unleashed a powerful second run here yesterday to win the first men's giant slalom of the World Cup skiing season.

The victory, by better than half a second, was Stenmark's 12th consecutive in the giant slalom over three seasons. He won the final race of the 1978 season and then swept all 10 giant slalom races last season.

The 23-year-old Swede was third after the first run, which, like the second, had a drop of about 400 yards through 55 gates. He said then that he was happy with his performance since he was not yet up to full strength after his fall in downhill practice in September and the subsequent month's rest.

"I still feel only 80 to 90 percent fit," Stenmark explained. He must have had a healthy lunch because he returned from it to record the fastest run of the afternoon for a total time of 2 minutes 37 seconds and 61 hundredths of a second.

Surprise From Yugoslavs

Second, in 2:38.12, was Bojan Krijaz, one of three Yugoslavs in the first six finishers. Third was Hans Enn of Austria, 12 hundredths behind Krijaz, followed by Boris Strel of Yugoslavia and Jacques Luthy of Switzerland tied for fifth place.

The strong showing of the Yugoslavs was a considerable surprise although all three of them have raced well in World Cup competition. The

22-year-old Krijaz ranked third in the giant slalom last year, Strel, 20, ranked 11th and Kurali, 22, ranked 13th.

Still they had never performed so well at the same time but Strel explained that "we all trained especially hard this year and we have been encouraging each other with our times."

The best American finish was a 14th place for Phil Mahre, who won the combined race, run on paper, because of his 29th place in the downhill yesterday.

Neither finish was overly impressive, but the 25 points for the combined victory and the 2 points for the giant slalom were enough to put Mahre at the head of the World Cup standings.

Mahre Explains

Mahre was discontent after yesterday's race, saying that he had not been able to let himself go. "It's not the ankle," he said, referring to the left ankle he broke last spring. "I absolutely didn't favor the ankle and it's no problem at all."

He added that the light was bad — "flat" — for the second run, which was held in shadow instead of the bright sunshine of the morning.

Second in the combined, tied for fourth overall and 19th in the giant slalom was Steve Mahre. "It's a better start than I usually have," he said.

Other American finishers included Cary Adgate in 31st place, Eric Wilson in 34th, Billy Taylor in 45th and Pete Patterson in 46th. Of the 86 racers who started, 63 finished.

Stenmark's victory did a lot to soothe the Swedish psyche, which regarded his downhill accident as the worst national disaster since the war with Russia in 1809.

At least Sweden won that war, the argument went, but Stenmark's injury might cost him, and Sweden, the gold medals they both covet at the Olympic Games in February. Stenmark has never won an Olympic gold medal, finishing third in the giant slalom in 1976.

Not Very Funny

Since his fall he has been badgered by the press to renounce further adventures in the downhill, at least until after the Olympics.

At news conferences here for Swedish reporters and selected photographers, Stenmark was asked again if he would try the downhill.

"No," he said, according to translators, "I doubt if I will ever do it again."

The answer was considered too vague and the question was repeated more forcefully. "No," he said, "I will never do it again."

He did not add, as he did when the question was asked last week, "and if I do, I promise never to fall again."

He seems to have learned that Swedes do not consider remarks like that funny.

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Red Smith

Over the Hurdles and Down the Hill

PLACID, N.Y., Dec. 9 (UPI) — "I'm 39 years old," Willie Davenport said, "and I am a millionaire."

Davenport is an amateur ice skater, a former world leader in the high hurdles, over the sticks in four games. In 1964 he got as a semifinalist. In 1968 he got a medal. In 1972 he finished. In 1976 he took the

bronze for third place. He is here now getting ready to try out for the four-man U.S. bobsled team that will slide down Mount Van Hoevenberg in the Winter Olympics in February. He has never been down a bobsled, but along with candor he has confidence.

"We're going to break the world record in the Olympic trials," he said. "We're going to give them something to shoot at."

If his team qualifies, Davenport will be the first black man to represent America in the Winter Games and the second athlete of any race to compete in both summer and winter carnivals. The first was the late Eddie Egan, who won the light heavyweight boxing championship in 1920 and rode on the sled that won the gold medal here in 1932.

Davenport says he has two goals — to open up the sport to blacks and to make a lot of money.

Where's the Token?

"Can Willie Davenport, as a black man, in a non-traditional sport, do it?" he said. "Can I open up this sport for blacks? Why haven't we tried? Why haven't we had a token? Is it too damn cold or something? With the publicity I could get, I could open up the sport to other people."

He was chatting over a late lunch after watching two-man sleds on Mount Hoevenberg. A member of the Executive Board of the U.S. Olympic Committee, he came here for a tour of Olympic facilities that the committee is conducting for the press and team leaders, but he meant to stay until today when his team was to have its first ride.

"I have a second motivation that is personal," he said. "I'm Executive Director of the Mayor's Council on Youth Opportunity in Baton Rouge, La. The mayor said to mention that his name is spelled D-u-m-a-s, Woody Dumas. I have a staff under me, we coordinate federal programs and I work my tail off. My agent and I feel that if I generate enough publicity I can get some of that easy money from endorsements and television, like Bruce Jenner. Instead of \$25,000 I could make \$150,000 a year."

Fat Is Out

That wouldn't make him a millionaire in four years, but maybe arithmetic isn't important to bobsleds.

Willie said that a friend in

will be the first black man to represent America in the Winter Games and the second athlete of any race to compete in both summer and winter carnivals. The first was the late Eddie Egan, who won the light heavyweight boxing championship in 1920 and rode on the sled that won the gold medal here in 1932.

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